

Vent-Axia

The first name in unit
ventilation...look for the
name on the product.

FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

No. 28,807

Thursday June 24 1982

CONTINENTAL SELLING PRICES: AUSTRIA Sch. 15; BELGIUM Fr. 35; DENMARK Kr. 6.80; FRANCE Fr. 5.00; GERMANY DM 2.0; ITALY L. 1,000; NETHERLANDS Fl. 2.25; NORWAY Kr. 8.00; PORTUGAL Esc. 50; SPAIN Pb. 65; SWEDEN Kr. 6.00; SWITZERLAND Fr. 2.0; EIRE 50p; MALTA 30c



NEWS SUMMARY

GENERAL

Militant Tendency victory for Foot

Labour Party leader Michael Foot yesterday won his most significant victory on the party's National Executive Council.

He persuaded the Executive to accept the report saying the Trotskyist Militant Tendency organisation is ineligible for party membership and that a register should be set up of all groups allowed to operate in the party.

But the cost of Mr Foot's victory will be a summer of bitter infighting. Back Page

£10m for Cunard

The Government has agreed to pay Cunard about £10m for the loss of the Atlantic Conveyor in the Falklands fighting, less than half its replacement value. Back Page. In Buenos Aires acting Argentine President General Alfredo Si Jean cancelled a scheduled Cabinet meeting.

UN chief's visit

UN Secretary General Javier Perez de Cuellar will make an official visit to Britain, starting on July 13. Thatcher talks. Page 5

Nurses pay fear

Senior officials of the Royal College of Nursing are alarmed that the union's 180,000 members in the NHS may throw out their recommendation to accept the Government's 7.5 per cent pay offer. Back Page

Briton held

Italian finance police arrested John Cairncross, a peripheral figure in the Burgess-McLean spy scandal, and charged him with trying to smuggle £52m (£21,580) out of the country.

Schild loses

Three Appeal Court judges upheld Mr Justice Mars-Jones's ruling yesterday that the Sunday Express had no case to answer after being accused of libel by businessman Rolf Schild, kidnapped in Sardinia with his family.

McNee plea

Public opinion, not water cannon, is the only long-term method of ending riots, Sir David McNee, Metropolitan Police Commissioner, said in his final annual report. Page 7

Grade's new post

Lord Grade, former Associated Communications Corporation chief, is to be chairman and chief executive of Embassy Communications International, part of the U.S. Embassy Communications entertainment group. Page 8

'Prince Elvis'

Bookmaker William Hill has taken bets on Elvis, Bjorn and Canute to be the Christian name of the royal baby—at odds of 1,000-1. George is even favourite.

World Cup

Labour MP Dennis Canavan called for an one-the-spot inquiry into Tuesday night's tragic and deplorable World Cup clash between England and Scotland funds in Lloret de Mar, Spain. Yesterday Italy and Cameroon drew 1-1.

Mottram wins

Britain's Buster Mottram beat Sven Anders Jarryd three sets to one at Wimbledon. Attendances for the first two days of tennis were the worst for a decade.

Briefly...

Tord Gormley, former miners' president, has been appointed governor of the BBC.

South Atlantic Fund to aid families of task force servicemen topped £4m.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

	RISSES	FALLS
Avana	282 + 7	Trident TV A 754 + 51
Blue Circle	440 + 6	Ward and Goldstone 67 + 5
British Aerospace	224 + 5	Westland 128 + 5
British Tar	45 + 5	
Burnett Hallmark	870 + 35	
Cable and Wireless	287 + 12	Excher 131pc 1987 - 299 -
Caird (A.)	400 + 20	Trans 13pc 2000 - 1941 -
EBC	745 + 20	Abercom 92 - 8
Imperial Group	945 + 20	Babcock 100 - 4
Kinet	147 + 6	Barclays Bank 380 - 8
Petbow	63 + 6	British Aluminum 45 - 5
Plessey	470 + 15	Change Wares 71 - 74
Poly Peck	382 + 5	Lloyds Bank 380 - 8
Powell Duffryn	232 + 5	Routledge Kgn Paul 258 - 7
Total Elect	490 + 23	Stewart, Wrightson 288 - 7

BUSINESS

Sterling trend firmer; tin up

BR ready to revoke closed shop deals if strike goes ahead

BY JOHN LLOYD, LABOUR EDITOR

SIR PETER PARKER, chairman of British Rail, last night virtually ensured an all-out rail strike from Monday when he appealed to railway workers to end the strike and their union leaders which, he said, could be done without risk to their jobs.

Sir Peter says in a letter to the workforce that "if you decide not to strike, this board will not accept loss of trade union membership as a cause for dismissal."

This means that BR is prepared to abrogate closed shop agreements with the unions by continuing to employ workers stripped of union membership for working during an official strike.

Sir Peter's letter is expected to be read by the three railway unions as a direct challenge to their authority and as a breach of agreements, at a time when BR had insisted on the need for adherence to them.

The board accepts that Sir Peter has thrown down a gauntlet to the unions, but believes it to be worth the risk because of its perception of the grave effects of a strike.

The executives of both the National Union of Railwaymen and the train drivers' union Aslef meet today.

"Our business will be crippled. Passenger services

will be cut back, I believe we could lose the contract for Post Office letter mail."

"Speedlink and Freightliner traffic will be lost. It will mean less rolling stock, and therefore, fewer maintenance jobs in the regions and BR Engineering. With less business, there will be a substantial reduction in white-collar jobs."

It promises that all employees who report for work during the first week of the strike will be paid. Thereafter, "the board will have to decide, after assessing the response to trade union calls for strike action, whether it can continue to pay staff."

Sir Peter says that in the event of a strike, BR's offer of a 5 per cent pay increase from September, linked to productivity improvements, will be withdrawn.

He continues: "We will not withdraw our productivity conditions. I do not believe for moment the Government will intervene to find the cash we haven't got. If the strike goes on, thousands of railway jobs, perhaps yours, will disappear forever. That is a fact."

Our business will be crippled. Passenger services

Israelis and Syrians locked in fresh battle near Beirut

BY DAVID LENNON IN TEL AVIV AND ANTHONY McDERMOTT

WIDESPREAD fighting between Israeli and Syrian forces resumed in Lebanon yesterday with a fierce battle raging for control of the main road from Beirut to Damascus.

The second ceasefire between the two countries collapsed at dawn, less than 12 hours after it had been announced unilaterally by Israel.

Israeli aircraft, tanks and artillery pounded Syrian and Palestinian positions along a 15-mile stretch of hilly territory either side of the main highway running east from Beirut. Aircraft were reported to have bombed at least six targets between the villages of Aley and Hammam.

Fires burned out of control on the hillsides as Israeli tanks tried to seize control of the road. Clashes between Israeli and Syrian troops were also reported North-East of Lake Qaraoun on the edge of the Bekaa Valley.

The Israeli army said two Syrian soldiers had been killed when an unsuccessful attack was launched on an Israeli position.

SUSTAINED construction recovery is unlikely, said a survey by the Royal Institute of British Architects.

WELSH Development Agency launched a subsidiary with £1m initial share capital to back risk ventures in Wales. Page 9

WOMEN started a Think British campaign urging house-holds to spend £5 a week more on home-produced goods. Page 9

PETBOW HOLDINGS, the Sandwich, Kent, engineering company, is to replace annual pay bargaining with a trial profit-sharing scheme for its 500 workers. Page 9

RANSOMS and Rapier of Ipswich, cranes and derrick manufacturer, may cut its 1,800 workforce by a third.

RACAL Electronics lifted pre-tax profits by 40.2 per cent in the year ended March 31, to £102.62m. (273.21m). Page 26; Lex. Back Page

CHUBB AND SON, security systems group, raised pre-tax profits in the year to March 31, 1982, to £9.37m (£6.84m). Page 26; Lex. Back Page

JOBS column managers and specialists leaving unemployment register ... 18 Management: Anglo-French mini-

Intermittent firing also continued around West Beirut, where Palestinian guerrillas are besieged by both Israeli forces and their Christian Phalangist allies.

A huge explosion rocked the devastated hotels area of central Beirut near the waterfront late yesterday. There was an immediate indication of what caused the blast which occurred close to the line dividing the Moslem and Christian quarters of the city.

Mr Philip Habib, the U.S. special envoy, was expected in Jerusalem from Lebanon last night in a further effort to halt the fighting. He has been discussing with Lebanese leaders a formula which would allow the Palestinian guerrillas to withdraw from Beirut to fixed positions at the same time as Israeli forces pulled back from around the capital. Israel is believed to have rejected the proposal.

An senior Israeli officer in East Beirut, interviewed on the army radio, claimed that the position

Continued on Back Page

Concern in Syria. Page 4

Takeover offences 'criminal'

BY RAY MAUGHAN

BREACHES of the provisions of the 1967 Companies Act designed to protect shareholders against "surprise takeovers" should be "made expressly remedial by criminal proceedings," a Department of Trade inspectors' report urged yesterday.

Offenders who have broken the rules of the City Code by failing to make a general offer to all shareholders under Rule 34, the inspectors say, should be required to reimburse any shareholder eligible to accept that offer or who has sold shares below what should have been the offer price.

The findings are in the report of the two inspectors, Mr John Davies, QC, and Mr Thomas Harding, after an investigation into the "struggle for control of Norwest Holdings over the period from 1972 to 1980."

The inspectors make suggestions to professional bodies giving advice in the course of recommended takeover bids or certifying accounts where the valuations are provided by the directors.

They call for "some sensible limit on the procreation of nominee companies."

The requirements of the Companies Act 1967 should be strengthened by bringing the section which deals with disclosure obligations of any holder of 5 per cent of the shares into line with the provision which requires directors of the company of the size and purchase price of their own holdings.

The inspectors found that the conduct of Mr John Lilley and Mr Raymond Slater, "in and about their bid for the civil engineering, housebuilding and property group" was deplorable and showed scant regard for the responsibilities of directors of public companies and the interests of shareholders."

Details, Page 7

CONTENTS

British Rail strike threat: the NUR changes track	24
Economic viewpoint: an upside-down dollar crisis	25
Business law: the elusive concept of "locus standi"	15
Jobs column: managers and specialists leaving unemployment register	18
Management: Anglo-French mini-	
excavator seeks to beat Japanese ...	22
Editorial comment: Unemployment: Spain and the EEC	24
Lombard: Michael Dixon on theory v practical training	25
Technology: Soviet lead in pipeline welding	30
World mining profits vanish—but price rebound may be dramatic	31
Business Books	36, 37

American News	5
Appointments	5
UK	12
International	34
Appts. Advtg.	16-21
Arts	23
Base Rates	29
Commodities	22
Contracts	31
Crossword	22
Econ. Indicators	29
Entertain. Guide	23
European News	21
European Options	25
Euromarkets	35
FT Actuaries	35
Foreign Exchanges	40
Racing	16
Shares Information	42, 43
Stock Markets	32
London	39
Stock Market	38
Wall Street	38
Bourses	38
INTERIM STATEMENTS	16
Gold Markets	32
Leaders	24
Letters	25
Lois	11
Lombard	23
London Options	23
UK	15
U.S. News	22
General	7-8
Labour	12
Unit Trusts	29
Authorised	40
Others	41
Weather	44
World Trade News	6
INTERIM STATEMENTS	16
Placements	26
Countrywide	25
Technology	30
TV and Radio	15
U.S. News	22
Entert. Journals	23
General	7-8
Net. Employers Life	27
Men & Matters	24
Powell Duffryn	27

EUROPEAN NEWS

Anthony Robinson follows Soviet response to the birth of an independent disarmament movement

West unmoved as Moscow stifles peace 'stunt'

THE Russian word for peace, *Mir*, is the same word for the world and *Mir*, *Miru* or "peace to the world" is one of the briefest and most succinct of all the slogans which advertise the Communist system to a 200m-strong captive audience throughout the Soviet Union.

But the reaction of the Soviet authorities to the birth of a fledgling independent peace movement has been far from enthusiastic.

The massive publicity which the Soviet media continues to give to peace movements and mass anti-war demonstrations around the world meant it was really only a question of time before someone attempted to follow their example as has already happened in East Germany and Hungary. Given the blanket refusal of the Soviet system to permit any kind of association not controlled by the Communist Party or its front organisations, however, its repression was similarly predictable.

The official view is that the Soviet Union already has a peace movement and that its 80m-strong membership eloquently testifies to the desire of the Soviet people for peace and their support for the peace-loving policies consistently followed by the Soviet

Union. Any attempt to create another peace movement independent of state and party, therefore, could only be considered at best a naive error or at worst a deliberate provocation sponsored by the Western media and anti-Soviet propaganda.

Small flat

It was against this unpromising background that a group of 11 Soviet citizens invited foreign journalists to a small flat in suburban Moscow on June 4 to announce the formation of a group dedicated "to the establishment of trust between the peoples and governments of the Soviet Union and the United States."

In a room crowded with television cameras and reporters Mr Sergei Batovrin, a 25-year-old freelance artist who, as the son of a Soviet diplomat, spent much of his childhood in the U.S., read out the group's "appeal to governments and peoples of the Soviet Union and the U.S." On the wall behind him was the symbol of the new movement: A dove of peace bearing the trident symbol of the Western disarmament movement.

Squeezed up on rickety sofa and chairs were the other founding members: scientists, mathematicians, a doctor, a philologist, a dentist—in many ways typical representatives of the Soviet intelligentsia. Seven are Jews, and three of the 11 had already applied for, and been refused, permission to emigrate.

All expressed their awareness of the risks they were running in forming the new group but insisted that they did not consider themselves as dissidents; that the aims of the movement were in line with the stated aims of the Soviet Government and that they had formally applied to the Moscow city council—with a request for registration of the new group according to Soviet law.

The appeal itself explained that the group had been formed out of the conviction of its members that the question of war, peace and disarmament was too serious to be left entirely to governments and that ordinary citizens had a right to participate with governments in the search for peace and the establishment of greater mutual confidence.

"Peace cannot be based on fear, but on trust," the appeal stated and went on to list measures which could be taken to improve trust. The list included the demand for an un-

to them.

With the reality of Hungary as the IMF's newest member, and the prospect of Poland sometime winning approval for its membership application to the Fund, the minds of IMF officials have recently been focusing on how to deal with their Comecon member countries. In-house IMF studies have been prepared on the problem, which was raised at the high level of the Interim Committee meeting last month.

The issue is made more acute by pressure from the U.S. Administration on the Fund to tighten its loan conditions, which could prove particularly difficult in the case of Comecon countries.

Those who argue that Comecon countries pose a special problem for the IMF point to Romania and quite rightly, because until Hungary's admission last month Romania

was for 10 years the only heavy machinery, to cars. Some of Romania's trading practices have been bizarre, to say the least, while the country's internal price structure had become archaic.

Past attempts to introduce some market disciplines have generally founded on a rigid central planning system, compounded by persistent neglect of the country's once rich agriculture and over-ambitious efforts to industrialise into everything from aircraft to

censored information bulletin to be published in both countries containing information about disarmament negotiations and peace proposals made by governments and peoples on both sides.

The group announced that on the following weekend the telephone number of member Mr Sergei Batovrin, Mr Sergei Resenov and Mr Vadimir and Mrs Maria Fleishgakken—would be manned non-stop to accept peace proposals phoned in by Soviet or foreign citizens and that signatories would be sought from supporters of the new movement.

Telephone cut off

That weekend Mr Sergei Batovrin's telephone was cut off in the middle of a call from Boston, in the U.S., and the phones of other members were also disconnected. Since then, the three men have been under house arrest. They and other founding members have been called in by the security police, interrogated and brought before local magistrates where they have been accused of illegal and provocative anti-Soviet activities.

Arguments that they were merely acting in conformity with the expressed policies of the Soviet Union were briskly dismissed as naive.

Correspondents trying to follow the story at a time when the special UN session on disarmament, and large peace and anti-nuclear demonstrations in the West, have made the subject of peace movements generally a "hot" topic have been barred

access to leaders of the group.

They were told in no uncertain terms to "clear off" and not waste their time on such "unserious people."

"It is only a stunt pulled by people seeking a way to emigrate," correspondents were told during one encounter with a plain-clothes policeman guarding Mr Batovrin's flat.

Serious or not, the attention

given to the group by the authorities implies the extent

of the Soviet determination

to prevent any chance of the emergence here of the kind of peace

groups which have been able to apply such pressure to Western governments.

Lack of interest

Another was Mrs Elena Vakar

chuk, divorced woman from Odessa who was told that she

could be sent away from Mos

cow where she now lives and

back to Odessa if she did not

withdraw her signature from

what her investigators told her

she was a cunningly worded and anti-Soviet document.

Correspondents trying to fol

low the story at a time when

the Soviet Union is trying to

manipulate the peace movement

in the West. It is stifling a bud

ding peace movement at home."

he told assembled delegates. The

echo has yet to return.

Mr Sergei Batovrin reads out the group's appeal. Behind him is the new movement's symbol: a dove of peace bearing the Western disarmament trident.

Two Spaniards held over poisonous oil

MEXICO CITY—the brothers Antonio and Jose Maria Cox Tapia, both Spaniards, have been arrested here for extradition to Spain in connection with the sale of toxic cooking oil, which has claimed 321 lives so far. About 20,000 Spaniards were poisoned before the oil was removed from the market last autumn. Some 200 people are still in hospital.

The Mexican Attorney General's office said the brothers were arrested by Interpol at the request of Spanish authorities.

Mr Antonio Cox Tapia told reporters "It is not true" that he and his brother were responsible for the mass poisonings in Spain. "and we are going to prove it."

The poisonous rapeseed oil was sold fraudulently as olive oil by door-to-door salesmen in the Madrid area. Agencies

IMF takes a gamble on rescheduled Romanian debt

BY DAVID BUCHAN, EAST EUROPE CORRESPONDENT

The resumption of the International Monetary Fund loan to Romania forms a key test of the theory, advanced particularly by the Reagan Administration, that Communist countries are inherently unreceptive to free-market IMF medicine, and therefore the IMF should be very wary of lending large sums to them.

more competition. The example of Hungary, which politically remains a fairly orthodox member of the Soviet Bloc, shows that Communist countries need not of their very nature be impervious to the sort of economic policies which the IMF preaches.

One can see some changes in Romania which the IMF has wrought with the carrot of its money and the stick of its loan conditions. Food and petrol prices have already been increased quite sharply this year, so as to stimulate flagging farm production and to encourage conservation of the country's dwindling oil output.

Further price measures are

among the commitments the Romanian Government has made to be able to draw on its stand by credit this year.

It should also be added that Romania is an example of the closer collaboration between the

IMF and World Bank these days. Last month the World Bank lent Romania \$100m (258m) toward a project to enhance oil recovery in Romania's ageing oil fields.

This could save up to \$200m a year in oil imports, and improve the balance of payments which is the prime IMF concern.

It is true that the pretty full financial disclosure which the IMF requires does not come easily to some Comecon governments used to keeping their publics in the dark about such matters.

President Nicolae Ceausescu recently reshuffled his government, dropping many ministers and aides on the claim they were either incompetent or corrupt. Whether they really were is not clear, but the changes at least led the President to make the public admission that his country's economy was in a mess and needed

FINANCIAL TIMES, published daily except Saturday, London, £1.50. Subscriptions: £365.00 per annum. Second Class postage paid at New York, N.Y., and at additional mailing

countries. © 1982 Financial Times Ltd.

In Baghdad, business is getting off the ground again. So are we.

In Baghdad, business is getting off the ground again. So are we.

At 14.50 this afternoon British Airways resume their scheduled service to Baghdad.

Departures are from Heathrow every Thursday on wide-bodied TriStars and full First Class, Club and

Tourist services are available. All of which should come as quite a comfort to the businessman planning to take advantage of the brighter prospects in Iraq.

British airways
We'll take care of you.

هذا من الأفضل

EUROPEAN NEWS

LEFT AND RIGHT CRITICISE RESORT TO CONFIDENCE VOTES

Mauroy defends enforcing of freeze

BY DAVID WHITE IN PARIS

THE FRENCH Prime Minister, M. Pierre Mauroy, yesterday defended the Government's recourse to urgent legislation to impose its four-month price and wage freeze. He said negotiations would take place throughout the summer to obtain voluntary agreement to limit subsequent increases.

In a policy declaration to Parliament, he repeated his aim of bringing the 14 per cent annual inflation rate down by four or five points. The decision to enforce statutory measures, which he said was an "exception," came under attack both from the centre-right opposition and from the Communist party, the junior partner in the ruling

coalition.

M. André Lajoinie, the Communists' leader in the National Assembly, said he was "resolutely opposed" to the suspension of wage negotiating procedures.

M. Jacques Chirac, the former Prime Minister and head of the neo-Gaullist RPR Party, predicted that the price freeze would fail to beat inflation and that it would lead to sharply higher unemployment. The sharp turn in policy, he said, marked the "severe and rapid failure" of Socialist government.

The parliamentary clash heralded a series of three con-

fidence votes, in all of which government victory is a foregone conclusion. After an initial confidence vote tabled by the Government and a censure motion brought by the opposition, a second censure motion relating specifically to the wage and price measures is now expected to be put to the vote on Monday.

This procedure, which was criticised by the Socialists when used by the previous Gaullist administration, provides the Government with a shortcut by dispensing with voting on the articles of the law itself.

M. Mauroy argued yesterday that the post-devaluation mea-

sures affected "neither the main line, nor the aims, nor the means" of the Government's policy.

He said he was not asking for "blood and tears." There was no reason for dramatising the situation but there should also be no pretence about the difficulties that had to be overcome.

M. Lionel Jospin, leader of the Socialist Party, hit back, objecting to the Communists by saying that backing for a policy could not be a matter of "only supporting the pleasant sides of it." At the same time, he called for fundamental reforms affecting non-wage incomes.

Treatment of dividends.

Page 33

Communists declare their open opposition

BY OUR PARIS STAFF

THE FRENCH Cabinet's decision to press ahead with a statutory wage freeze has brought it into open disagreement with the Communist party. This is the first time this has happened over a key domestic policy issue since President François Mitterrand appointed Communist ministers to the Government exactly a year ago.

Mr Georges Marchais, the Communist leader, said after the Cabinet announcement that the party could "in no way approve" of legislation to block wage increases and suspend standard rules on pay negotiations and agreements.

Although the Communists have differed from the Government over social security contributions, tax concessions to employers and more acutely

over the Polish crisis and other foreign policy issues, they have never issued such a categorical disclaimer.

Because of the parliamentary procedure being used by the Government, however, the Communists will not vote against the wage and price law when it goes to the National Assembly today.

The law, like the general policy statement which M. Pierre Mauroy, the Prime Minister, put to parliament yesterday, is being made an issue of confidence, which means that it is considered to have been passed unless a censure motion is adopted. In such a motion only the "aye" votes are counted.

The Socialist Party's outright majority would in any case be

adequate to see legislation through. But a vote against by the Communists would put the four Communist ministers in an extremely difficult position and would have jeopardised talks between the coalition parties on an electoral pact for next spring's municipal elections.

The Communist party's stance brings it into line with the CGT union, with which it is closely linked.

Joining other unions in opposing the statutory freeze, the CGT has called on workers to choose their own form of protest against the measure. M. Henri Krasucki, the union's new leader, called for the maintenance of living standards for workers covered by branch

agreement, improvements for the lower-paid and stiff taxes on high salaries and unearned income.

The first CGT-backed strike against the wage freeze, which started last Thursday in a small metal-working plant at Vierzon in central France, ended yesterday when employees voted for a return to work.

The union has scored a spectacular victory in elections at the Citroën car factory at Aulnay, north of Paris, where it recently backed a bitter five-week strike. Ballots for staff delegates gave the Communist-led union a 57 per cent majority, compared with under 10 per cent a year ago, bringing the management-supported CSL union down to a third, from more than 80 per cent.

At last year's Solidarity congress, Mr Marek Czakowski, head of the union's light industry section, who has been interned since last December, called for night-shift working to be abolished. But union economists persuaded him to tone down his demand because of the adverse effects on the supply of goods.

Most of the interview was concerned with the Falklands conflict, but these words have strengthened the Spanish belief that Britain's military victory in the South Atlantic has hardened attitudes on Gibraltar.

This was precisely the reason given in public by the Spanish authorities for not reopening

the frontier.

Poland's textile industry short of workers

BY CHRISTOPHER BOBINSKI IN WARSAW

A SHORTAGE of labour in Poland's textile industry has meant that the country has been refusing Soviet offers of additional supplies of cotton.

This emerges from an interview published in the economic weekly, *Zycie Gospodarcze*, with Mr Stanislaw Wylopek, the senior Polish official in charge of developing Polish-Soviet trade. This runs counter to the pattern in industry as a whole where some 40 per cent of productive capacity is standing idle as a result of shortages of foreign currency for imports of

raw materials and components.

The drop in employment in light industry follows recently introduced early retirement schemes and last year's rapid growth of social welfare benefits for, among others, women with children.

Government statistics show that employment in the city of Lodz, a traditional textiles centre, and in Bielsko-Biala in the south, have dropped by 10 per cent over the first three months of the year against a 5 per cent national average.

By the end of March, the

average monthly wage in light industry had reached ZL7,298 (£68.65). It is about ZL1,000 more in other industrial sectors and ZL22,212 (£148) a month in the fuel and energy sector, mainly coal mining. The national average monthly wage had reached ZL10,103 (£61.36) by last March.

The loss of workers in light industry, which employs a large proportion of women, indicates that night-shift working—a major grievance of the now suspended Solidarity trade unions—is being phased out.

At last year's Solidarity congress, Mr Marek Czakowski, head of the union's light industry section, who has been interned since last December, called for night-shift working to be abolished. But union economists persuaded him to tone down his demand because of the adverse effects on the supply of goods.

Polish textile mills formerly had an annual capacity of around 150,000 tonnes of cotton. This year's Soviet supplies of around 110,000 tonnes are proving enough

to meet at least 75% of the process or heating requirement, and the scheme does not disqualify applicants from the benefit of other grants, (Regional Development Grants for example) for which they may qualify.

The net cost of the new project must exceed £15,000.

If your company meets these requirements you could be well on the way to receiving the grant.

And if you are in a development or special area, you could be in line for further grants.

EVEN MORE HELP

Apart from the grant schemes there are leasing arrangements that make

Thatcher fuels Spain's fears over Gibraltar

By Robert Graham in Madrid

Bonn launches stinging attack on U.S. policies

BY JONATHAN CARR IN BONN

WEST GERMANY has launched an unusually explicit attack on the trade and economic policies of the U.S. in a further sign of deteriorating transatlantic relations.

Herr Manfred Lahmstein, the Finance Minister, accused the U.S. of failing to observe the sovereignty of other states by imposing its latest restriction on trade deals with the Communist East bloc.

He also emphasised that, "in the opinion of all experts," U.S. economic strategy was causing the highest real interest rates of the post-war period, and thus impeding investment.

Even as the minister made his criticisms in a parliamentary speech yesterday, a further attack came from the trade unions on Washington's move to hinder the Soviet-Western Europe natural gas pipeline deal.

Herr Eugen Loderer, head of the big metalworkers' union, IG Metall, accused the U.S. of seeking to carry through its policies towards the East "on the backs of European workers." He urged Bonn to do all in its power to counter Washington's "Insolent" embargo strategy.

The mounting criticism shows that the U.S. has touched an especially raw nerve in West

Germany at a particularly unfortunate moment with its decision to extend sanctions affecting the pipeline project.

While Bonn sees its "Ostpolitik" and energy strategy under threat, the U.S. move also hits the company AEG-Kanis, the turbine-making subsidiary of the giant AEG-Telefunken, which is fighting for its existence.

The broad international dispute about how to treat trade with the East has thus become linked in the public mind with the battle for jobs going on AEG—and it is a link which Herr Lahmstein also made in his speech.

After noting that there was "no chance" of a further drop in international interest rates as long as the U.S. did not solve its own economic problems, the minister said Bonn believed that the Eastern trade issue had been broadly agreed upon at the recent Western economic and Nato summit conferences.

The new embargo would, in the end, not stop the gas pipes deal being carried through.

Herr Lahmstein said, but it would seriously affect the credibility of U.S. companies abroad. Surely, he suggested, it could not be the U.S. aim to encourage efforts by other countries to

make themselves more independent of U.S. licensing agreements.

Herr Lahmstein added that AEG-Kanis was hit particularly badly by the U.S. move and "several thousand" jobs were endangered. "I don't know whether the American Government has in this case chosen the right way to fight stagnation and unemployment throughout the world," the minister said.

Price controls abandoned by Sweden

By William Dullforce in Stockholm

SWEDEN YESTERDAY abandoned price regulations apart from that on the price of milk. Mr Björn Molin, the Trade Minister, said the controls applied during the 1970s had been ineffective in containing inflation.

The duty imposed on companies to inform the state Price and Cartel Board a month in advance of any price changes is being lifted. The companies need only report price increases to the board within a week of the decision being made. The board will no longer be able to intervene to prevent increases.

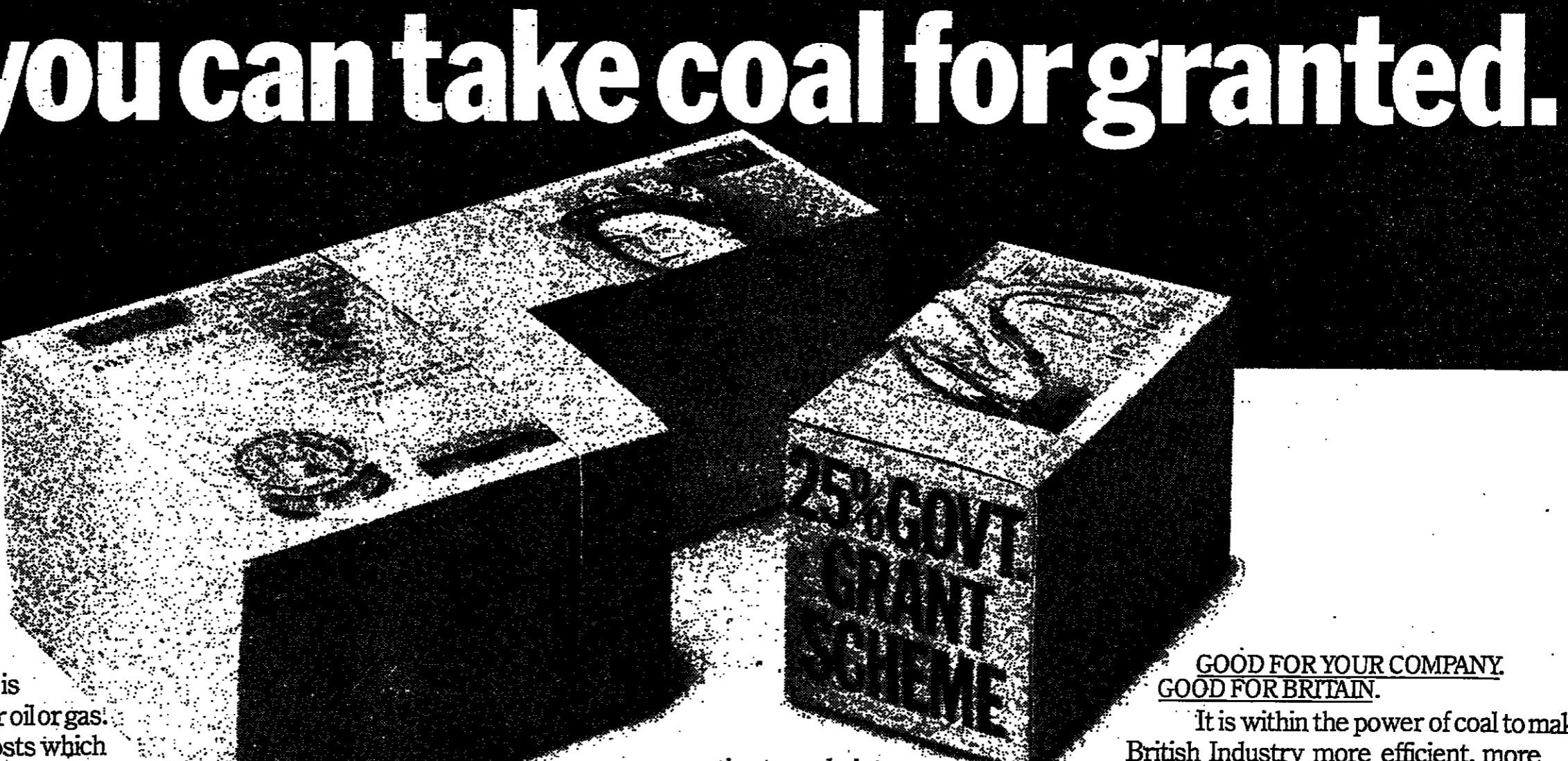
The price regulating Act, passed in 1956, is to be re-examined with the aim of limiting the Government's power to control prices strictly to emergency situations. This was the original intention of the legislators but later Governments have used the Act together with other economic measures, as a way of preventing price increases.

The Government's move was foreshadowed in a report last year from a committee appointed to analyse the influence of price controls during the past decade. It found that regulations might have helped to dampen inflation in the beginning of the 1970s, but they had had no lasting effect on the rate of price rises.

After the general election on September 8, the Christian Democrats and the Liberals are likely to be back in power together.

The trade union confederation

feared that curbing the powers of the Price and Cartel Board will lead to spiralling price increases.



GOOD FOR YOUR COMPANY

GOOD FOR BRITAIN

It is within the power of coal to make British Industry more efficient, more cost-effective, more competitive in world markets.

If we make the most of what coal has to offer, we will reduce the UK's dependence on oil and take the pressure off demand for the limited supplies of gas.

All of Britain will benefit. Your company included.

For further information please write to one of these addresses: Department of Industry, Charles House, 375 Kensington High Street, London W14 8QH (or any regional DIO office).

National Coal Board, Technical Service, Marketing Department, Hobart House, Grosvenor Place, London SW1X 7AE.

Name _____
Title _____
Company _____
Address _____

NCB

The most widely-known advantage of using coal is that it is considerably cheaper than either oil or gas.

It reduces your energy costs which in turn cut unit costs, giving your company greater efficiency and a keener competitive edge in the market-place.

There are other advantages, however—less known, but just as significant.

THE 25% GOVERNMENT GRANT SCHEME.

Basically this scheme can provide up to 25% of the total project capital cost of making the change to coal.

IS YOUR COMPANY ELIGIBLE?	
User of oil and/or gas as the main fuel?	<input checked="" type="checkbox"/>
Part of the manufacturing or service industries?	<input checked="" type="checkbox"/>
Cost of new coal-fired project exceeds £15,000?	<input checked="" type="checkbox"/>

All companies in the private manufacturing and most service industries are eligible, providing that oil and/or gas

has been used to meet at least 75% of the process or heating requirement, and the scheme does not disqualify applicants from the benefit of other grants, (Regional Development Grants for example) for which they may qualify.

The net cost of the new project must exceed £15,000.

If your company meets these requirements you could be well on the way to receiving the grant.

And if you are in a development or special area, you could be in line for further grants.

EVEN MORE HELP

Apart from the grant schemes there are leasing arrangements that make

converting to coal a lot easier on your cash flow.

The EEC could provide further beneficial funding. And the NCB is willing to enter into favourable medium and long-term supply arrangements with individual customers.

Again, the aim is to reduce capital outlay and bring down running costs.

COAL. YOU'RE IN FOR A FEW SURPRISES.

Within the coal industry itself there have been impressive advances in boiler technology, combustion and methods of coal and ash handling.

It's now possible to operate in excess of 80% efficiency.

Equally surprising is that in modern installations coal and ash are seldom seen and rarely touched by human hand.

FT GS 2462

OVERSEAS NEWS

Concern in Damascus over Bekaa Valley

BY PATRICK COCKBURN IN DAMASCUS

THERE ARE growing fears in Damascus that Israeli forces are beginning to threaten the Bekaa Valley following fighting with Syrian troops over the past two days.

The valley, running north-south on the other side of the mountains east of Damascus, is considered vital to the security of Syria by the Government of President Hafez al-Assad. If its positions are threatened at the southern end or in the mountain paths through which passes the road to Beirut, then the Syrians will fight, say diplomats.

The precise extent of Monday's fighting is still unclear and the somewhat muted response of the local media to the renewed clashes between the Israelis and the Syrians suggests that the Government is hoping that the incidents are not part of a renewed Israeli push to overrun the remaining Syrian positions in Lebanon.

The Israelis have not yet occupied the towns of Aley and Bhamdoun high in the hills 12 miles from Beirut. They appear to have launched attacks to the north of the main road and, more seriously, there have been artillery and mortar exchanges across the vital Dhar al-Baidar, through which runs the road from the Bekaa Valley. Israeli aircraft have also attacked Syrian artillery positions, but little tank or small-arms fire was heard on Monday.

The Syrians dare not lose the road out of the Bekaa. If they do, their whole position in the valley will come under threat since it will be overlooked by the Israelis. Diplomats in Damascus suggest that the Syrians may use some of their elite special forces to hold the pass and the heights round it.

The Syrians are also threatened by the Israelis in the southern Bekaa, where there were reports of skirmishing early yesterday. The Israeli

presence north of Lake Qaraun is particularly menacing, as the flat meadows of the Bekaa Valley provide good terrain for deploying tanks for an attack north.

The Syrians still appear to be convinced that Israel, or at least General Ariel Sharon, the Israeli Defence Minister, would like to lure them into an all-out war at a time when the strategic balance of forces in the region is against them.

They have nevertheless been encouraged by an increase in support from Saudi Arabia. There are also some indications that the Soviet Union may have stepped up deliveries of arms and replaced those lost in the fighting two weeks ago.

The Syrian armed forces are almost entirely equipped by the Soviet Union, but the Sam-5 anti-aircraft batteries, many of which were destroyed in the Bekaa Valley by the Israelis, are of a model used some eight

to ten years ago. It is not clear if Moscow is prepared to give the Syrians its most modern equipment, which is normally used by Warsaw Pact forces.

Convinced that the U.S. has given the Israelis its most sophisticated weapons under their strategic agreement, the Syrians are anxious for a similar strategic understanding between themselves and Moscow.

Despite Israeli claims that there are numerous Iranian and Jordanian volunteers around Aley, observers in the area have found little evidence of their presence. Aley itself is empty and silent, with few troops in the streets.

There are some 500 Iranians at a camp just on the Syrian side of the border, say diplomats, but they have brought no heavy equipment. There are also some Iranians in the Bekaa. A battalion of infantry from South Yemen has also been training

in Syria and could have been deployed in Lebanon, but it is unlikely that any of these units, consisting of mainly lightly-armed irregulars, would appreciably affect the military situation.

Syria itself has few military reserves of armour or infantry not deployed to defend the Bekaa Valley or the Golan Heights. President Assad has been anxious to avoid an all-out conflict with Israel, but "if the Israelis attack the pass through the mountains overlooking the Bekaa or in the south of the valley, then he will fight," a diplomat said yesterday.

A crucial stage in a renewed war between Israel and Syria will be the deployment of the Syrian air force, which suffered heavy losses in air battles two weeks ago. This will signal a willingness of Damascus to suffer more casualties in defence of what it sees as its vital interests.

JDF Jones in Johannesburg reports on Pretoria's plans for extending the bantustans

Protest mounts as South Africa redraws its tribal map

IT IS common knowledge that the South African Government's policy of "separate development" is meant to split up the 20m black population into tribal components and allocate them to their bantustans, or homelands, with the transparent aim of maintaining the supremacy of the white minority.

This month the Government announced a dramatic extension of this policy: it is now planning to give away several hefty chunks of South African territory, plus the people that go with them—about 1m hectares and about 1m people—to the independent sovereign state of Swaziland.

Not surprisingly, an almighty row has broken out. The Zulus are furious. Their Chief Minister has called the white Minister a "skunk" and told him he is not a Christian; the leaders of the 0.75m "South African" Swazi talk of being "led into the gas chamber"; the white farmers and businessmen of the Eastern Transvaal, normally staunch Government supporters, are unhappy and confused, even though the Government says that only 22,000 hectares of white-owned land will be bought up.

The parliamentary opposition politicians would go to town—except that they will have to wait until the new session next January, because the Government deliberately announced the deal a few days after the end of the last session. And even the Swaziland Government of King Sobhuza—at 83, the world's longest-reigning monarch—no longer sounds as euphoric as it did a few days ago.

The idea, hatched by Dr Piet

Koornhof, Minister for Co-operation and Development and negotiated (or rather communicated) with the help of Mr "Pik" Botha, the Foreign Minister, has a certain logic base in the nationalist ideology, harking back to the Tomlinson Commission—Dr Verwoerd's apartheid blueprint of the 1950s.

By an accident of history—that is, the declaration of a British Protectorate in 1877 to block the eastward ambitions of the Boers—Swaziland is today an independent state, a member of the Commonwealth and of the Organisation for African Unity (OAU), though linked to the Republic by unbreakable economic ties.

The Swazis are also one of the Republic's ethnic peoples and were accordingly allocated a bantustan—called kaNgwane—which acquired a legislative assembly in 1977, though it could not hope for meaningful independence. No government in the world has yet recognised any of South Africa's independent nation-states—Transkei, Bophuthatswana, Venda or Ciskei.

Although the population of kaNgwane is not much more than 200,000, it is supposed to be the "de jure" homeland of 750,000 Swazis: the actual population of Swaziland is not much more than 500,000.

Suddenly, after rumours of secret negotiations, the South African Government has announced that it is scrapping its own Swazi "homeland" and transferring it—lock, stock and barrel, though hardly as a going concern, to Swaziland. One result is that 750,000 Swazi-South Africans will lose their South African citizenship and

become members of a foreign country.

Even more controversially, the South African Government has also lopped off a substantial territory from Northern Kwazulu, the Zulu homeland.

Northern Kwazulu's Chief Minister, Gatscha Buthelezi, is a major opponent of Pretoria because he refuses to take "independence."

This area, known as Ingwuma, is mixed Zulu-Swazi and gives Swaziland its long-desired access to the Indian Ocean.

The Kwazulu Government is beside itself with rage. The significance of this should not be underrated: Chief Buthelezi has gone along with Pretoria to the extent that he has cooperated, up to a point, with the Bantustan system and faced severe criticism from many blacks. If it is shown that his opinions can be utterly ignored by the South African Government, then he and his policies of non-violence and multi-racial change will be discredited.

Swaziland is going to be dramatically enlarged, and access to Kosi Bay, an inaccessible nature reserve, is bound to tempt the Swaziland Government to plan a railway. From Pretoria's viewpoint, there are presumably good reasons for this move.

The first is the creation of a buffer state, sealing off the south-western corner of Mozambique from which everyone assumes the African National Congress (ANC) will increasingly launch its assault on the South African heartland. Swaziland must presumably be kept a client-state, where Pretoria's wishes will be observed.

But it is the diplomatic role of a grateful Swaziland that is

causing more interest here. The South African Government has for five years been anxious to develop a regional "Constellation of States" in which the automatic membership of the bantustans would be given some recognition by the presence of genuinely independent member states.

It is suggested that a deal be struck with the Swaziland Government on this, and on specific aspects of regional development such as the Southern African Development Bank, for which final proposals will be submitted to the South African Cabinet in August.

It might also be argued that, if Swaziland absorbs the entire homeland of kaNgwane, Swaziland's diplomatic recognition by the world thereby grants a certain legality to the homeland concept itself. This may seem exaggerated, but Swaziland is certainly awaiting the reaction of the OAU, which has always insisted on the sanctity of colonial frontiers and has also rejected the bantustan system.

Meanwhile it is widely believed in Johannesburg that the Swaziland deal is the forerunner of similar arbitrary assignments of territory and people elsewhere in the republic—the unscrambling of the South African omelette, as Dr Koornhof used to say.

Thus, it makes almost sense for the tiny, overcrowded and desperately poor South Sotho homeland of QwaQwa to be handed to the (almost equally poor) independent Lesotho, or for the Bophuthatswana isolated enclave of Thaba Nchu to be transferred, presumably also to Lesotho. Indeed, by Tomlinson's logic, why should not

Bophuthatswana join the independent Botswana?

In all this, the achievement from Pretoria's point of view, would be to transfer large numbers of South Africa's black citizens by attaching them to the neighbouring client-states—Botswana, Lesotho and Swaziland, which were always included in Tomlinson's maps.

But the basic fact will not be altered: these ethnic peoples will remain a part of South Africa's white-run economic system and their labour will continue to be available, recruited, migrant and controlled, for South Africa's industries and farms, even though their technical national status has been changed.

The typical National Party voter is not impressed by this. The opposition is calling for popular referenda, which the Prime Minister yesterday tried to discourage, and is promising legal action. The Cabinet is playing it cool and, one imagines, has up its sleeve the detail of the "price" Swaziland has agreed to pay. There are rumours that the Western governments are unhappy about the deal.

But it is in line with the South African Government's ideological heritage. In the words of Mr Ton Visser, editor of *Beeld*, this is another successful step on the road to unravelling South Africa so that the future of the White in partnership with the blacks can be secured.

The aim is desirable: a redrawn map of Southern Africa which brings together nations who belong together. The colonial heritage must be wiped out."

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

African diplomats have been suggesting that it would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Nevertheless, it is believed that the Namibian negotiations may at last be within sight of success. The South African Government has been signalling that it does not expect "phase two" of the negotiations—referring mainly to the role of the "Third Nation" force in the run-up to an election for a constituent assembly—to cause great difficulty, though Mr "Pik" Botha, the Minister for Foreign Affairs, said at the weekend that "certain conditions" would have to be met.

Mr Hayden has now accepted that opposition by a future Labor Government to visits by US nuclear ships would be inappropriate to insist on a specific link because the Cuban presence is a matter for Angola alone. Nevertheless, there was clearly new optimism among the African front line states.

According to an existing schedule, it would take seven months to implement a UN-supervised ceasefire and independence elections.

These are known to include linking the withdrawal of the 18,000 Cuban troops presently in Angola to any agreement.

Thatcher resists U.S. pressure over Falklands

BY MARGARET VAN HATTEM IN NEW YORK

MRS MARGARET THATCHER, the Prime Minister, began her visit yesterday with an implicit but highly public warning to President Reagan not to press her on the question of Falklands sovereignty.

In a series of interviews on breakfast television, Mrs Thatcher was repeatedly told she White House was making no secret of its desire for communion with Argentina on the future of the islands.

Asked how she would respond at her meeting with President Reagan later in the day, Mrs Thatcher replied: "I doubt very much whether he will ask it."

"First, he knows he wouldn't get anywhere if he did. Second, he knows it would be totally unreasonable to ask that at a time when one has sent one's soldiers, navy and air force to recover the islands which are British sovereign territory, peopled by British subjects. It would be totally unreasonable to ask that."

The only change in sovereignty she was prepared to contemplate was a gradual move to full self-government.

Mrs Thatcher indicated, however, that she still hoped the U.S. would help "in the longer term" to establish a multinational peace-keeping force on the islands.

President Reagan is understood to have shown no interest in the idea during their London summit two weeks ago. Mrs Thatcher intimated she would press the question at yesterday's meeting.

"I think in the longer run one could obviously try to pursue it," she said, adding pointedly that the U.S. President was under some obligation to Britain.

"After all, I remember very well the day when President Reagan asked us to take part in a multinational force in the Sinai, and there were many other countries that wouldn't say yes unless Britain did. But that often happens. We often have to take the lead."

Mrs Thatcher refused to concede that U.S. support for Britain over the Falklands had damaged its relations with Latin American countries.

Questioned on Israel's incursion into Lebanon, an issue expected to be raised in her meeting with President Reagan, Mrs Thatcher firmly rejected the parallels repeatedly drawn between herself and the Israeli Prime Minister Menahem Begin.

Reagan federalism proposals diluted

BY ANATOLE KALETSKY IN WASHINGTON

PRESIDENT REAGAN is preparing to water down his "new federalism" proposals to transfer responsibility for welfare programmes from the federal Government to the states. White House officials told the National Governors' Association yesterday.

A revised federalism plan would give many states an increased share of the tax revenues collected by federal Government to finance programmes they take over.

The federal Government would fund the whole of the Medicaid health programme for the poor and continue to pay for the issue of food stamps, which President Reagan had originally wanted to transfer to the states.

The federal government would also maintain several transport programmes and continue paying certain grants for airports, bridges, highways and public transport which the President had planned to eliminate.

Urban action grants to inner cities and certain disability

benefits, including "black lung" payments to coal miners and migrants' health costs, would also be continued, said Mr Richard Williamson, the President's special assistant for the new federalism programme.

The proposals for tax revenue will also be revised to meet objections from state governors.

The federal government's windfall profits tax on oil companies will no longer be paid into a "trust fund" to finance the states' new responsibilities.

It was pointed out that states without oil production would be unable to collect windfall profits taxes. They would therefore find it more difficult to finance public spending programmes than oil-producing states.

Even with all these revisions, the President's new federalism plans will face a stormy reception when they are presented to Congress sometime after the Independence Day recess.

Most observers do not expect them to be passed in the current congressional session.

The Financial Times Business Publishing Limited

the country's foremost publisher of books, magazines and diaries for business.

Titles cover a wide range of business activity with particular emphasis on investment, pensions, insurance, banking and personal finance.

For a catalogue listing all titles please write to: Marketing Department, The Financial Times Business Publishing Limited, Greystoke Place, Fetter Lane, London EC4A 1ND. Telephone: 01-405 8889. Telex: 883834 IC LDN G.

Pentagon drops air based MX missile plan

By Reginald Cole, U.S. Editor in Washington

THE PENTAGON has halted studies of a controversial plan to install MX intercontinental missiles on a new generation of "big bird" aircraft constantly patrolling the oceans, officials said in Washington.

The airborne basing method, long believed to have the support of Mr Caspar Weinberger, the Defence Secretary, and other influential arms experts, was understood to have been dropped from consideration on White House orders.

President Ronald Reagan has indicated that he prefers the so-called "dense pack" solution, under which the missiles would be clustered close together in hardened sites, and possibly defended by interceptor missiles.

"Dense pack" now becomes the front-runner in the long search for an invulnerable MX basing system.

The theory behind "dense pack" is that the Soviet Union would have to target its attacking warheads so close together that the first one to explode would deflect or destroy others alongside or behind it. Enough U.S. missiles would survive to provide a credible threat of retaliation.

GM in steel purchasing shake-up

By Richard Lamer in New York

GENERAL MOTORS has completed the reorganisation of its steel purchasing programme for 1983 models and the changes are not as radical as some of its suppliers feared.

The company is the largest single buyer of steel in the U.S., taking some 5m tons for its latest model series.

The company told its steel suppliers in March that in future they would have to bid for its business on a coordinated basis.

In the past, purchasing decisions at GM had been made largely at plant level and were based mainly on list prices. Industry analysts had warned that a switch to a more competitive buying system could lead to a sharp cut in the number of GM's steel suppliers.

However, the company yesterday said it would continue to buy steel from all the nine major domestic steel producers which had supplied it during the 1982 model year. It would also continue to buy from the three leading Canadian steelmakers.

GM said that, under the new system, some producers will get more of its business than they did in the past, but no-one was being axed altogether.

One big steelmaker said yesterday that the change would mean that individual GM stamping plants would rationalise their purchasing decisions, and take supplies from fewer sources.

The company added that over the longer term it expected further centralisation of GM's purchasing strategy.

President in campaign to redeem CIA

By Our U.S. Editor in Washington

PRESIDENT Ronald Reagan yesterday pressed ahead with his campaign to repair the grave damage to the morale and effectiveness of the Central Intelligence Agency which he believes was inflicted under President Jimmy Carter.

On a visit to the CIA's suburban headquarters in Langley, Virginia, Mr Reagan signed legislation prohibiting the publication of agents' names—even if the information is obtained from public records.

The Bill, passed by massive majorities in both houses of Congress earlier this month, imposes maximum penalties of 10 years in prison and fines of \$50,000 (£27,000) for unauthorised disclosures by past or present government employees who have had access to classified information.

1931
Multitone
founded
— a wholly British
owned company

AMERICAN NEWS

Louise Kehoe in San Francisco on the computer theft case Arrests stun Silicon Valley

SILICON VALLEY, the heartland of the U.S. electronics industry, is reeling with the news of the arrests of six executives of Hitachi and Mitsubishi and of charges filed against 11 others. Japanese and Americans alike are stunned.

The Japanese executives are accused by the FBI and the U.S. Attorney's Office of conspiring to steal trade secrets—documents, parts and software programmes for IBM computers and data storage systems—and of "transporting them to Japan to assist Mitsubishi and Hitachi in the development of computers."

Those charged include the general manager of a Hitachi plant in Santa Clara, senior engineers and managers of two more of Hitachi's Japanese plants, the assistant to the president of Mitsubishi Electronics America, and several engineers with responsibility for the development of new products at both companies.

The arrests were made on Tuesday morning at 9, five of them at the Santa Clara offices of the Japanese companies and six in Los Angeles. The rest of the accused are believed to be in Japan. The FBI says that it plans to initiate extradition orders to have them face charges in the U.S. courts.

The number of arrests and the high-ranking company officers involved make this the most significant trade secret crime in the history of the "high-tech valley," where industrial espionage is rife.

Here, pirating of employees from competing companies is a commonplace method of learning their technology secrets.

Outright theft of parts and documents is an all-too-frequent event.

Most of the major electronics companies in northern California will admit that they have a major security problem. Organised crime syndicates are allegedly involved which transport stolen electronic devices around the world to final desti-

nations in the Eastern bloc. Affidavits filed in San Jose U.S. District Court by the FBI agents who worked on the case depict an undercover "Sting" operation in graphic detail. The affidavit recounts clandestine meetings in Silicon Valley, in Las Vegas and in Honolulu.

Wire taps, one video-taped meeting and several FBI-initiated meetings and conversations during the seven-month investigation are likely to lead to questions about methods of entrapment. In the authorities' view the senior positions of several of the accused cast

between the undercover agents and the accused.

The Japanese are alleged to have drawn up "shopping lists" of IBM secrets they wanted. After a due amount of haggling, FBI agents, posing as someone with access to co-operative IBM employees, handed over computer parts, programmes or documentation in return for cash

some doubt on their ignorance of what they were doing in attempting to obtain IBM secrets.

One episode documented in the affidavit, for example, describes the assistant to the president of Mitsubishi America Inc., a U.S. subsidiary of the Japanese company, allegedly requesting "very much inside information" on the IBM 3081 and 4300 mainframe computers.

Another employee of Mitsubishi is accused of presenting

the undercover agents with a questionnaire seeking detailed design specification of components used in the computers.

The assistant to the Mitsubishi president supposedly discussed amounts and methods of payment, and arranged for the third party to transport the stolen property to Japan.

The initial reaction to Tuesday's arrests was one of disbelief. "I don't believe that these reputable companies would have permitted any crime," said the Japanese Commercial Consul in San Francisco.

"We are shocked," said executives of Hitachi's semiconductor division in Santa Clara.

"This is very serious, very disheartening," said a spokesman for Mitsubishi America. "We hear stories from our American competitors about the unfair advantages that Japanese companies have, but we don't find it to be so. We have to work hard—this is devastating," he added.

Hitachi's official spokesman said that he did not believe that the accused were guilty. "This is not good for our business," he acknowledged.

For Mr K. K. Yewata, the president of NEC Electronics USA, the news of the arrests came as a hard blow. "I had set as my goal for this year that we be recognised as a fair and honest competitor in the U.S. semiconductor industry. My

hope is that these unfortunate events will not be interpreted as practices of Japan Inc." he said.

What impact the scandal of the arrest of senior executives of Japanese electronics companies will have on already fragile U.S.-Japanese trade relations is difficult to determine. It cannot help the Japanese in their current efforts to placate the U.S. electronics industry with promises of research co-operation and lower tariff barriers.

Illinois takeover law abolished

By Paul Bettis in New York

THE U.S. Supreme Court, yesterday cleared the way for streamlining the application of U.S. takeover legislation with an important and long-awaited ruling abolishing the state of Illinois's tender offer law.

The ruling is expected to have an impact outside Illinois because the law is similar to tender offer laws in 36 other states.

The Supreme Court said the Illinois law was unconstitutional because it favoured state residents by imposing waiting periods and other conditions on bids.

Similar rulings are now expected on the takeover laws of other states.

Although state takeover laws have not had any substantial impact on major U.S. corporate takeovers, companies involved in takeovers, especially hostile ones, have often used the state laws as a device to delay or obstruct bids.

In so doing, they have sought to cast doubts among shareholders on the possible legal outcome of a given takeover. In any major takeover battle, psychology plays a big part in determining shareholders' attitudes.

With yesterday's ruling, the Supreme Court has split out clearly the legal rules of the takeover game by establishing that takeovers are a matter for federal law and that individual state legislation should no longer confuse the issue.

This is how we chose our First Class 747 seats.

12 hours on this seat
felt like a lifetime.

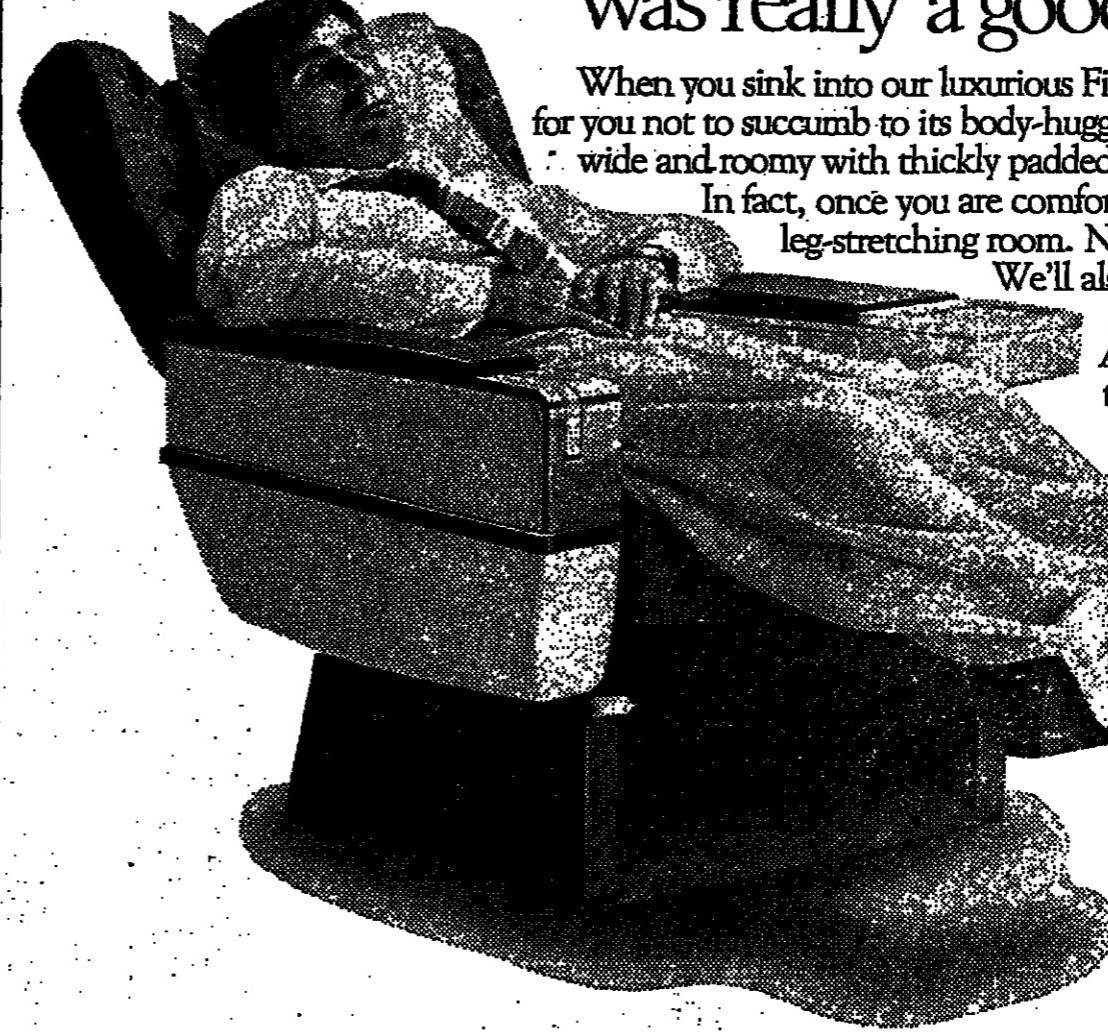
When it came to choosing seats, we were very particular. We tested many. Which is why we rejected this one. It's too narrow and too shallow with not enough padding. Definitely not right for First Class. And surely not on our new 747s.



Half an hour on this seat
felt like 12.

We rejected this one too. It's nice to look at. Even seems comfortable. But that's about all. Not the kind we want you to sit on for a long journey. In fact, after this we tested many more. None came up to the mark. Not until we tried the one we picked.

12 hours on this 'Easy Sleeper' was really a good night's sleep.



When you sink into our luxurious First Class Easy Sleeper it'll be hard for you not to succumb to its body-hugging comforts. Our Easy Sleepers are wide and roomy with thickly padded footrests. All done in brush velvet.

In fact, once you are comfortably settled in you'll find tremendous leg-stretching room. Not forgetting all the first class benefits.

We'll also offer you electronic headphones for listening to a selection of music. And above all, we'll be giving you the best in personal, attentive, yet unobtrusive service. That's because on Malaysian Airline we'll always treat you like gold.

mas
malaysian airline system
Well treat you like gold

Contact Malaysian Airline System, 25/27 St. George Street, Hanover Square, London W1R 9RE. Tel: 01-491-4542

747s to Amsterdam • Dubai • Frankfurt • Kuala Lumpur • Kuwait • London • Melbourne • Paris • Sydney • Bangkok • B.S. Begawan • Handai • Hong Kong • Jakarta • Jeddah • Madras • Manila • Medan • Perth • Seoul • Singapore • Taipei • Tokyo & 36 destinations within Malaysia.

DELTA

**ATLANTA &
80
USA
CITIES
DAILY**

**The only daily nonstop to Atlanta**

Only Delta flies nonstop every day to Atlanta and on to 80 cities in the continental U.S.A. Leave any mid-day at 12:15pm. Or any morning except Monday, Wednesday or Thursday at 10:10am. Delta also has a daily nonstop from Frankfurt to Atlanta.

Our nonstops from London to Atlanta are Wide-Ride Lockheed L-1011 TriStars powered by Rolls-Royce engines. You can enjoy superb international dining and in-flight entertainment.

Famed personal service

Delta carries more passengers in the continental U.S. than any other airline. Yet for the past eight years we've had the fewest complaints of any major airline, according to the latest C.A.B. records. All thanks to our 35,000 Delta professionals.

Money-saving fares

If you're planning a holiday, try Delta's APEX return fare to Atlanta from London, only £396; valid until September 14, 1982. From Frankfurt, use Delta's Holiday Fare, just DM1620 return, valid until October 14, 1982. These fares have advance purchase, advance reservations, length of stay and other requirements.

When you fly to the States, you can also buy a Delta Skypass®—valid to as many as 12 Delta USA cities, depending on your itinerary. Montreal and San Juan, Puerto Rico, can be included in a choice of the 12 cities. Only £190 from London, DM700 from Frankfurt, plus your transatlantic fare. Valid with all fares except Standby, charter or military flights until October 14, 1982.

Check your Travel Agent

For information and reservations, call your Travel Agent. Or call Delta in London on (01) 668-0935 or (01) 668-9135. Telex 57480. Or call Delta in Frankfurt on 0611 23 30 24, Telex 0416233. Delta Ticket Offices are at 140 Regent Street, London, W1R 6AT and Friedensstrasse 7, 6000 Frankfurt/Main. Schedules and fares subject to change without notice.



**Fly Delta to the 1982 World's Fair.
Now to end of October 1982.
Knoxville, Tennessee.
Delta is the official airline of the
1982 Knoxville World's Fair.**

**DETA. THE AIRLINE RUN
BY PROFESSIONALS.**

U.S.-EEC STEEL ROW

BY JOHN WYLES IN BRUSSELS

THE EUROPEAN Commission is preparing to accuse the Community the right to apply countermeasures against the Reagan Administration in the General Agreement on Tariffs and Trade (GATT) of inventing at least six criteria for calculating government subsidies so as to justify its imposition of countervailing duties against EEC steelmakers.

The allegation that the U.S. Department of Commerce has, in effect, deliberately exaggerated its calculation of subsidies received by European steelmakers to boost their sales to the U.S. will be made to a subsidies committee of the Geneva-based world trade body. If the complaint is eventually upheld it could gain for the Community the right to apply countermeasures against the U.S.

More immediately, however, it is hoped that the decision to place the dispute before the GATT, approved by the EEC Council of Ministers on Tuesday, will encourage Washington to negotiate a political solution to the steel row.

The Commission believes the Administration could be embarrassed by a close scrutiny of the criteria which have been employed by the U.S. to determine earlier this month that European steel exporters benefit from unfair government subsidies.

It seems prepared to argue that the U.S. Department of Commerce has deliberately inflated its calculation of subsidies so as to be able to raise a protective umbrella in the form of countervailing duties over the U.S. steel industry.

The Commission has concluded that the Department departed from normal GATT criteria for determining the level of subsidies in the following ways:

- It took into account housing aids available in some EEC steel industries which, the Department argued, enabled the companies to economise on wages. According to the Commission, if these aids had not

been taken into account some companies would not have been found to enjoy unfair subsidies.

- In looking at equipment aids provided by governments, the Department took into account a hypothetical profit the producer would have made if it had invested the monies at normal market rates. The possible return was then added to the money actually provided to determine a total subsidy.

- All loans to companies judged "uncreditworthy" were considered as injections of capital and, therefore, a subsidy to countervailing duty.

- According to an annex to the GATT subsidies code, an

interest subsidy is the difference between the preferential rate given to a company and the rate a government would have to pay as a borrower in the market.

However, in analysing "credit-worthy" companies, the Department of Commerce calculated the difference between the preferential rate and what the company would have to pay in the market.

As a result, says the Commission, even Community loans without an interest subsidy become subsidised in the eyes of the Department because the Community can borrow more cheaply than the corporate borrower.

Doubts over Rothmans Egyptian venture

By Charles Richards in Cairo

DOUBTS HAVE arisen over a proposed joint venture between Rothmans and the State-owned Eastern Tobacco in Egypt.

According to a report in the opposition newspaper Al-Shash, the new Minister of Industry has decided to cancel the project because he says it would be harmful to the Egyptian economy.

A Ministry spokesman also confirmed that a decision had been taken "some time ago" not to press ahead with the joint venture, but to expand the existing factory in Giza, in greater Cairo.

Rothmans, however, has yet heard anything officially about the cancellation of the project, and a team was in Cairo just two days ago for talks with Egyptian officials.

Rothmans signed a protocol last December to set up the joint venture. Eastern was to have 51 per cent and Rothmans 49 per cent of the Eastern (£31m) capital with total debt about three times that amount.

Initial production would have been 5bn cigarettes a year, enough to cover the 11-12 per cent annual increase in consumption of some 36,000m cigarettes.

The Commission believes that, because its proposals are both "logically sound" and "essential to the spirit and practice of a unified Europe", the member states should approve them almost automatically.

sale. All of this has settled down to some degree, but the Japanese company is clearly marking time.

The possibility of a crucial breakthrough in the market rests with Project IX, a proposed venture with Honda, the Japanese manufacturer which BL already has a licensing link through the making in the UK of the Triumph Acclaim.

The project is for an up-market medium-sized saloon car, but it will not come to fruition for at least three years.

Meanwhile, BL may introduce the Metro through Nichei Jidosha, but in the MG version, in order to take advantage of the fame of the MG marque. The basic model would, in any case be too expensive in comparison with the car it most obviously matches on the Japanese market, the Honda City.

As far as immediate sales are concerned, Leyland Japan might be able to boost sales with more aggressive financing.

Leyland Japan is 65 per cent owned by Mitsui and 35 per cent by BL, but the financing of the import and sales operation is carried out through the Mitsui group.

New York subway deal prompts complaint

BY RICHARD LAMBERT IN NEW YORK

THE U.S. is bringing a formal complaint against what it calls the "predatory" financing practices of the Canadian Government in helping a Canadian company to win a contract to supply New York City with subway cars.

In bilateral talks with Canadian government officials in Geneva next month the U.S. will argue that the Canadians violated the subsidies code of the General Agreement on Tariffs and Trade (GATT) by making special credit terms available to the company, Bombardier.

Under the OECD guidelines, the minimum interest rate for exports to relatively rich countries is 11.25 per cent.

Plan to ease border controls

BY LARRY KLINGER IN BRUSSELS

COMPREHENSIVE proposals to lighten the border controls for individual travellers and for the transport of goods within the European Community will be presented for approval to the EEC member states by the European Commission.

While the measures would hardly make customs posts obsolete on the member states' common frontiers, they would mean almost automatic passage across internal borders for EEC citizens and speed the delivery of merchandise.

Herr Karl-Heinz Narjes, the Commissioner for Internal Markets and Customs Policy, said yesterday that the measures constituted an important step "in making the

concept of a unified Europe a reality for industry and the businessman."

The Commission is proposing:

- That travellers with valid national identity cards or standardised European Community passports, which are due to come into force throughout the EEC by the end of 1984, will be free of systematic border control and subject to delay only by spot checks or when the authorities had "genuine suspitions" or "clear-cut indications" of illegality.
- That the Community's wide variety of numerous and protracted customs documents be replaced by a single form.
- That the time-consuming and costly administration of value

Years of quiet persuasion mark BL's uphill struggle in Japan

BY PAUL CHEESERIGHT, WORLD TRADE EDITOR

THE Yen is undervalued by at least 30 per cent against Western European currencies "for purposes of valuing manufacturing productivity of major Japanese export industries."

And "no Western manufacturing base can withstand such a disadvantage over an extended period," according to Mr O. B. "Bud" Marx, Ford of Europe's vice-president finance, writes Kenneth Gooding, Motor Industry Correspondent.

Addressing the Atlantic Institute for Foreign Affairs, he suggested it was in the interest of the Japanese as well as European industry that "whatever steps necessary to accomplish an orderly revaluation be taken before existing

trade relationships become totally disrupted. It might be necessary for the steps to take place over a period of time in order to avoid severe disruption to Japanese industry."

Mr Marx pointed out that, according to Ford of Europe estimates, the European vehicle manufacturers and their suppliers needed to spend \$16bn (£5.5bn) annually for the next few years to meet the changed market requirements.

Yet, an independent research organisation recently estimated that, in 1978-80—each profitable years for the industry—cash flow was \$12bn negative in total. And 1981 and 1982 probably would be equally as poor.

this traffic last April the Mini was formally re-launched on the Japanese market.

Since then 1,500 have been ordered by the distributor Nichei Jidosha to exploit the car's cachet. Why it should have become a minor cult like Gucci is not clear. It may have something to do with the fact that Japanese car manufacturers have only recently become wedded to front-wheel drive for small cars but the enthusiasts have realised that the Mini has

formally withdrawn the car into a different tax bracket and means they are not likely ever to take more than a minor part of the market.

BL's role in this market over the short and medium term is uncertain. Leyland Japan started in Tokyo in May 1977 and doubled its volume of sales every year for three years until the market ran out of steam.

This was done against the background of instability concerning both the changes in the management of the group as a whole in the UK and the range of models available for

Bid to speed ratification of liner conference code

BY BRJ KHNDARIA IN GENEVA

TWELVE European countries are to try to speed ratification of the code of conduct on liner conferences, which regulates a large part of the world merchant shipping, so that it might come into force next year.

Mr Lennart Svantemark, a spokesman for the European Community and Finland, Norway and Sweden, said in Geneva that the ratifications would take world shipping tonnage owned by contracting parties to the convention to well above the 25 per cent needed to operate it.

The convention, which will be a legally binding international treaty, was agreed in 1974, but could not be operated because of delays in ratifications.

The European countries are worried by the growing trend among developing countries to take more control over transport of their exports as well as trade within the Third World.

The convention lays down rules about the control of exports, which ships they choose and also protects the rights of ships operating through liner conferences. It

also provides for consultation and settlement of disputes.

Mr Svantemark warned that countries enacting laws affecting shipping should be ready to change them if conflicts arise when the convention comes into force. The Europeans also want to ensure that ships competing with liner conferences do so fairly and on a commercial basis."

The volume of seaborne trade should recover slightly this year after a 5.1 per cent fall last year in addition to a 2.8 per cent decrease in 1980, according to a review of maritime transport in 1981 done by the United Nations Conference on Trade and Development (UNCTAD).

The report is being discussed at Unctad's Shipping Committee which is sponsoring the code of conduct as well as separate plans to slowly phase out flags of convenience.

The growth of the merchant fleet has also slowed considerably. Tonnage rose by just 1 per cent between mid-1980 and mid-1981, and growth so far this year has been only 1 per cent.

Italimpianti wins £72m contract in Bahrain

BY RUPERT CORNWELL IN ROME

ITALIMPIANTI, the Italian plant process concern controlled by the IRI state-owned conglomerate, has won a £180m (\$71.6m) contract to build desalination units at Sirte in Libya.

The deal, agreed with Bahrain's Energy and Water Ministry, provides for the construction of three units, each with a capacity of 23,000 cu m per day. They will employ the so-called "multistage" process of instantaneous evaporation.

The first unit will be on stream by August 1984, while the entire project should be completed by the end of that year. Italimpianti said the

company is already carrying out a project to build a 24 Mw power plant and a smaller desalination unit at Sirte.

Meanwhile, Techimont and Montenore, two associate companies of the Montedison chemicals group, have won an order for an extension to the existing fibre plant at Qota in Rajasthan owned by J. K. Synthetics of New Delhi.

The scheme, with a total value of \$25m will add 15,000 tonnes a year to the annual acrylic fibre capacity of the plant. The two Italian companies will provide engineering, technology and technical assistance to the Indian concern.

TARBELA DAM, PAKISTAN:

Saima has been contributing to the Country's development ever since 1968 by transporting over 240 thousand tons of good to Tarbela.

106 agencies throughout the world.
Allied houses in France, Switzerland and Nigeria.
42 branches in Italy.

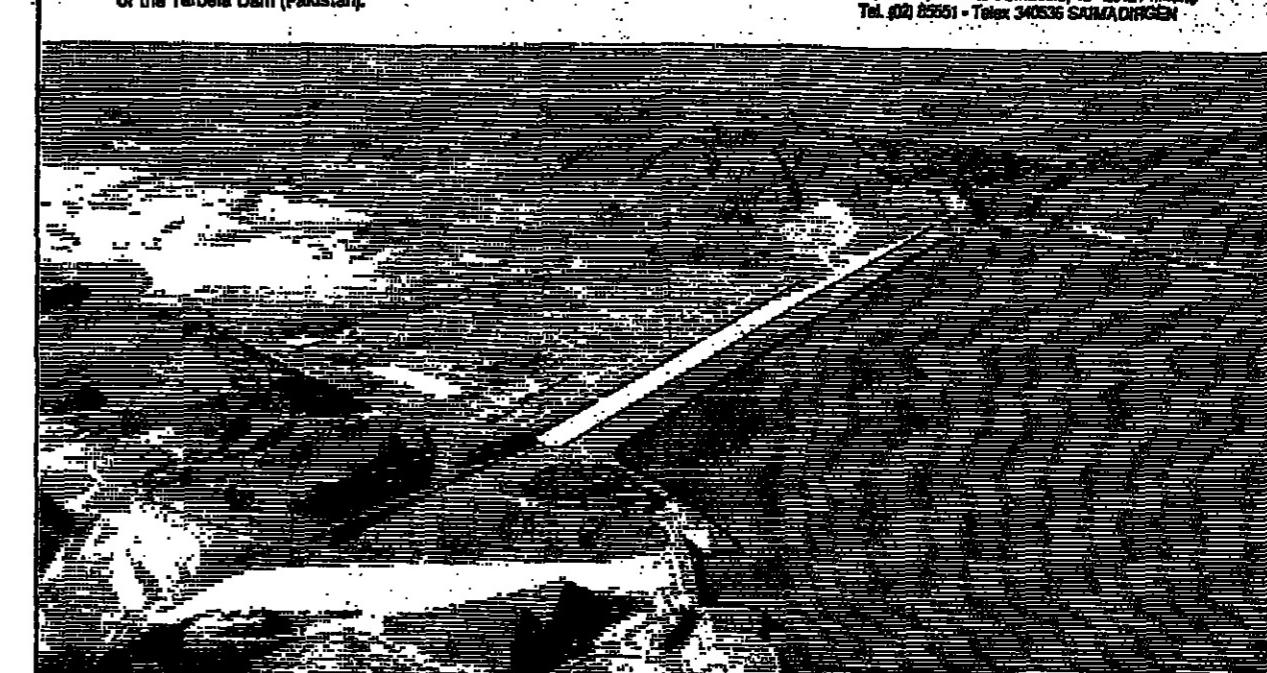
Over 1,200 employees at your service. This is the reality of one of the most advanced international shipping forwarding agents in the world.

S.A.I.M.A.
INTERNATIONAL FORWARDINGS

SAIMA S.p.A. Via Pontecchio, 03 - 20121 MILANO

Tel. 02 2551 - Telex 342235 SAIMA/MI

An artistic impression of the Tarbela Dam (Pakistan).



UK NEWS

Midland to start self-service banking scheme

BY ALAN CANE

MIDLAND BANK is the first of the big four UK clearers to offer self-service banking to its corporate customers.

It announced yesterday a computer-based cash management system which will allow corporate treasurers to check their bank accounts world-wide and monitor cash flows using a computer terminal in their own offices.

Cash management systems are already offered by more than 100 US banks and there has been intense speculation over which of the UK banks would take the lead in offering a similar service.

The Midland system is based on one developed by the US computer bureau Automatic Data Processing (ADP). It is already in use in Midland's US subsidiary Crocker Bank.

In the US, the system is known as Cash Express. Other US cash management systems include City Cash Manager, offered by Citibank, Infocash, offered by Chase Manhattan and Chemlink from Chemical Bank.

The principle behind these systems is essentially the same. Information about customers' accounts world-wide is collected daily and filed in the memory of a large computer.

Customers have access to the information through computer terminals equipped with key-

boards and display screens linked to the computer.

National Westminster is expected to announce a similar service within months. It has been rewriting a cash management software package provided by the US bureau National Data Corporation (NDC) for UK customers.

The service will run on NDC's computers and network. NatWest already operates a cash management system in this country—but dealing only in US dollars—derived from "Cashbeam," the service provided by its US subsidiary National Bank of North America. It is used in the UK by Jettravel Travel and Wimbley Travel.

Barclays was believed to be developing its own in-house system from scratch. Now it is talking to a number of computer bureau and network operators about the possibility of a proprietary package.

Lloyd's Bank said this week it was carrying out feasibility studies. Some elements of its cash management service were already in place and "with the implementation of the Clearing Houses Automated Payments System (Chaps) next year, electronic funds transfer mechanisms will be in place for the provision to UK corporate customers of cash management services."

McNee gives final report

FINANCIAL TIMES REPORTER

THE MOBILISATION of public opinion, not the use of water-cannon, was the only long-term method of ending riots, Sir David McNee, Metropolitan Police Commissioner, said in his annual report for 1981, published yesterday.

Sir David, who retires from the force this year, pointed out that he had spoken out after the Brixton riots against the use of water-cannon, baton rounds and staves as alien to Britain's tradition of policing by consent.

Study urges change in NHS priorities

BY GARETH GRIFFITHS

RESOURCES and priorities in the National Health Service need to be overhauled and the emphasis switched to a broader concept of health care, according to a study of health inequalities published today.

Health objectives need to be more clearly defined and extra funds should be spent on preventive measures to raise the general standard of health. The estimated total cost of implementing the programme to remedy Britain's health inequalities would add between 2 per cent and 2.5 per cent to public spending.

The report is a condensed version of the 1980 Black Report, a survey produced by the Government's working party on health inequalities under the chairmanship of Sir Douglas Black. The Department of Health and Social Security reacted sceptically to the Black Paper's findings, and it was circulated on a very limited basis.

Ministers argued that the cost of the programme was too high at a time of public expenditure restraint and questioned the supposed variations in health standards. The original report found major geographical and social inequalities in both the provision of facilities and in health standards.

The condensed report has been edited by Professor Peter Townsend, a member of the working party, and journalist

Mr Nick Davidson. The thrust of the argument for increased health spending rests on better health standards leading to a general increase in the well-being or wealth of society. However, governments have viewed increases in health spending as a spin-off from economic growth.

The report details 37 recommendations for change, including the establishment of a health development council to work out longer-term strategies for dealing with inequality. Most of the recommendations involve preventive measures, but the authors want higher levels of child benefit and disallowance and maternity allowances.

Prof Townsend said yesterday that evidence from the General Household Survey suggested that inequality in health had increased since the report was first published.

The Government's present policy towards the NHS and its encouragement of private medicine and increased numbers of consultants "implies a bigger imbalance between the resources committed to the hospitals and to the other sectors of the health-care system, with a likely real fall in the resources obtained by the latter."

Inequalities in Health: The Black Report. Edited by Peter Townsend and Nick Davidson. Pelican Books. £2.50.

Norwest's struggle for survival in 'sordid' world

Ray Maughan reports on a scathing exposé of Norwest Holt's affairs

THE REPORT by Department of Trade inspectors into the affairs of Norwest Holt, the civil engineering, building and property group, tells the story of what they came to regard as a "sordid battle for control".

The investigation, by Mr John Dawes, QC, and Mr Thomas Harding, FCA, lasted between March 1980 and October 1980.

The inspectors came to a number of conclusions regarding the use of nominee names, disclosure of directors' share dealings and the weight of professional opinion as it concerned recommended takeover bids.

Lord Cockfield, the Secretary of State for Trade, and the Director of Public Prosecutions announced yesterday that they "have considered the inspectors' findings and conclusions and do not intend to take any further action in connection with this matter."

With regard to the payment of £100,000 by Norwest to a Cayman Islands company, the inspectors are satisfied that the money was initially paid to the Dublin branch of Guinness Mahon "to the order of Messrs Lilley and Slater and that it was subsequently transferred on Mr Slater's instructions into the account of British Isles Investments (BII) at that bank."

The inspectors first set out the background to Norwest, its vulnerability to a bid, the board's attempt to shore up its defences against any predator and the methods with which the

directors financed their own share purchases. Then they examined the route by which this £100,000 payment was made, the devices which Messrs Lilley and Slater used to cover the trail and their circuitous efforts to pass this payment off as a legal fee to Kennedy and

McGonagle, a law firm in Dublin.

The inspectors were never able to interview Mr Liam McGonagle, the firm's principal, during the course of their investigation. Their report stated: "We could not bring ourselves to believe any of the varying accounts we heard of the delay in the production of the BII receipt to substantiate the payment and its supposed purpose."

The inspectors do not recommend any further action on this

part of the affair. "We think that our recital of the facts and the statement of our conclusions provide a sufficient indictment of those involved, as well as a sufficient opportunity to apportion blame between them without inviting the expenditure of further public time and money in the investigation of this particular chapter of this sordid battle for control."

Events surrounding the Cayman Islands payment came to a close at the end of 1974 as far as Norwest was concerned. Later chapters, leading up to Messrs Lilley and Slater's bid for outright control of the group, were no less stormy.

The saga started in 1972. At the beginning, Messrs Lilley and Slater, through their company Stonegate Securities, had been able to build up a stake broadly equal to the original board's own holding. Each camp held about 35 per cent.

Their tactics were quite simple. To put pressure on the heavily borrowed members of the inner consortium, Mr Lilley and Mr Slater merely reduced Norwest's asset backing.

They used this method once in 1975 when, quite suddenly, they produced a massive provision against property values, quite wiping out that year's profits and dragging the share price down to very low levels.

The tactic was repeated in 1980 when, in an attempt to buy out the minorities, heavy pro-

visions were struck against the Marshall Andrew subsidiary. The inspectors "were struck by certain similarities" between the two provisions. Each depended so much on the opinion of the directors as to be incapable of quantification by the auditors in the one case.

The inspectors reserve special scorn for nominee companies. Recommending that incorporation be limited to companies with a paid up capital of £10,000, the inspectors stress that "the abuses to which the great majority of these companies lend themselves so outweigh their usefulness as to make a farce of the Companies Acts and of the very concept of limited liability."

Finally, the inspectors recommend that Mr Lilley and Mr Slater be prosecuted under Section 27 and Section 33 of the 1967 Companies Act. The Norwest shares in many nominees accounts were first accumulated by Mr David Abel, now chairman of Suter Electrical, and later sold on to Bishopgate. The inspectors were able to establish that not only was Bishopgate closely connected with Stonegate but that it had been lent money by Messrs Lilley and Slater to buy the Norwest stake. This is a "flagrant breach of the City Code."

The inspectors urgently recommend that Section 33 of the Act be brought into line with Section 27 so that both directors and holders of 5 per cent of the shares should be required to notify the company "not only of their acquisitions but also of the prices they paid." Any breach should be remediable by criminal proceedings.

6 We think that our recital of the facts and the statement of our conclusions provide a sufficient indictment of those involved

IGNORE YOUR FACTORY AND IT'LL GO AWAY.



When you are building a business the last thing you should neglect is the building. The consequences can be bad news.

Besides the fabric wearing away, you can easily suffer an increase in disputes, tempers frayed, absenteeism and an unacceptable record of accidents.

A helping hand is provided courtesy of Crown Paints.

By consulting both our free Technical and Colour Advisory Services, the general working conditions in your factory can show a remarkable improvement.

Obviously, protecting the fabric of your

factory building is important.

(Especially in today's economic climate, which is corrosive in more ways than one.)

However, painting your factory gives you the opportunity to do something far more positive than mere preservation.

Both danger zones and hazards can be made much safer by the judicious use of the right colour.

A bandsaw, for instance, painted yellow will yell "DANGER" when the safety guard is left open.

The expert use of colour can also turn something like a "dark, satanic mill" into one

that's bright and far more pleasant to work in.

Happily, this results in less absenteeism; improved worker/management relationships; and what has to be the most welcome benefit of all, increased productivity.

For a greater insight into the services Crown can provide and what you can do to help yourself, write for a free copy of "The Crown Guide to Factory Maintenance".

It's one thing, besides your factory, that you will never want to go away.



UK NEWS

ICI fights feedstock concessions to rivals

By Sue Cameron

IMPERIAL Chemical Industries was last night lobbying MPs of all parties in an attempt to stop the Government giving special tax concessions to its main rivals in the UK—Shell, Esso and BP Chemicals.

Details of the tax concessions and of proposals to extend them to BP as well as Shell and Esso have been formally announced and will be debated by a House of Commons committee tonight.

The concessions, covered in clause 119 of the Finance Bill, are arousing deep concern at ICI, which fears its biggest competitors will gain an unfair and artificial advantage since ICI itself will not benefit.

The concessions cover the tax reference price of North Sea gases being used as a raw material for making petrochemicals. The reasons ICI will gain nothing from them are that it is not an oil company selling feedstock to a chemical subsidiary; and that it uses mainly the oil-based naphtha as a raw material for making petrochemicals at its main Wilton complex on Teesside.

Revenue tax

Oil companies operating in the North Sea have to pay petroleum revenue tax of 70 per cent—rising to 75 per cent next year—on the oil and gas they produce. But their tax bills vary according to the market price they are receiving: if the price goes up, they pay more.

The Government plans to accept a tax reference price for gas being transferred from an oil company to its chemical subsidiary for periods of up to five years. This will benefit Shell and Esso.

Amendments to clause 119 of the Finance Bill will extend the concession to BP, which is planning to transfer mixed gases from its Magnus and Forties fields of BP Chemicals for use at the latter's Grangemouth chemicals complex.

The oil companies will be able to give their petrochemical subsidiaries comparatively cheap gas feedstock while ICI will still have to buy its oil-based chemical raw materials at market prices.

BNOC plans to split soon

By RAY DAFTER, ENERGY EDITOR

BRITISH NATIONAL OIL Corporation plans to split its operations within the next two months in what seems one of the biggest reorganisations in the state-owned industry.

Two companies will be formed, Britoil, containing the main exploration and production interests; and a reconstituted BNOC representing its oil-trading sector.

Senior officials in Whitehall and BNOC are confident that market conditions will support the sale of shares in Britoil, planned for November. They point out that the trend of falling crude oil prices early this year has been reversed.

Early this month BNOC raised North Sea oil prices by \$2.50 a barrel to £3.50. It is understood that last week it was

thinking about proposing a further small increase, possibly about 50 cents a barrel, from next Thursday, when new supply contracts are to be agreed.

But in view of the recent fall in price of spot cargoes of North Sea oil, from about \$35 to between \$33.75 and \$33.85, yesterday, BNOC is likely to suggest a price freeze on contracts for three months. Industry forecasts suggest contract prices may rise slightly in the fourth quarter.

On this basis, it is understood, BNOC officials believe that sale of 51 per cent of Britoil's shares should raise between £600m and £750m for the Treasury. The Government may opt for a phased sale, giving investors the opportunity

to pay part of the cost of their holdings next year.

Before that Britoil's operations must be untangled from those of BNOC's trading division. The way for this complicated operation should be cleared within the next week or so, when the enabling legislation, the Oil and Gas Enterprise Bill, is expected to receive the Royal Assent.

Most of the staff, about 2,350, will be transferred to Britoil. It is likely that the 60-strong trading division will be expanded to about 100 to enable the newly-formed BNOC trading company to function as a self-contained operation.

The trading interests are being kept in State hands for strategic security reasons.

Mr Nigel Lawson, Energy

Secretary, has still to announce the chairman of the trading company, but Lord Croham, deputy chairman of BNOC is thought to be the leading candidate. Mr Philip Shelburne, present chairman and chief executive of BNOC, is expected to become chairman of Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

Both have criticised the Government's "privatisation" proposals for BNOC.

Marathon Oil expected to develop Brae B field

By RICHARD JOHNS

MARATHON OIL U.K. is expected to complete by the autumn its appraisal of the Brae B structure 165 miles east of John O'Groats and submit recommendations to its partners in the Block 16/7 concession.

A number of design studies are still being completed, but it is expected that the recommendations will be positive and authorisation from the Department of Energy will be sought to develop the field in conjunction with Brae A.

The latter is due to come on stream in mid-1983 with a maximum capacity of 100,000 barrels

a day and 12,000 b/d of natural gas liquids. The Brae B deposits are wholly condensates, with reserves estimated at the equivalent of 215m barrels of oil.

Marathon is the operator, with a 38 per cent share, for the group, with the rights to the UK North Sea Block 16/7, including British National Oil Corporation (20 per cent); Bow Valley (14 per cent); Kerr McGehee (8 per cent); British Columbia Resources (7.7 per cent); Louisiana Land and Exploration (6.3 per cent); Sovereign (4 per cent); and Sasa (2 per cent).

The jacket which supports the facilities was installed about a fortnight ago in what Marathon claims was one of the smoothest and fastest operations seen in the North Sea for years.

Contracts worth more than £28m, which would provide more than 1,000 jobs, have recently been awarded by Marathon for the "hook-up" of the Brae A production platform.

The company says that support for the contractors engaged will provide a further 900 jobs, and involve spending up to £140m.

• Press and Worley, together with Brown and Root, for pipe-

fittering, welding, rigging and mechanical fitting.

• Balfour Kilpatrick and Morgan Moore for electrical and instrumentation work.

• Aberdeen Scaffolding, for scaffolding on the platform in the hook-up phase.

• Cape Contracts for heating, ventilation, air-conditioning, fireproofing and "architecture".

• Coopercraft for heat treatment.

• Rigblast for insulation, Oilfab for non-destructive testing, and Jack Tigh for painting and shotblasting offshore.

Benefits include huge cuts in postal charges, savings in paper costs and an improvement in cash flow.

The new technology enables our meter readers to issue bills immediately after the meter has been read but if the customer is not at home, the machine can give an estimate of the bi-monthly bill," said Mr Miller.

The computer carried by the meter reader has information about each consumer which is transferred electronically during the night to a minicomputer at each district office.

Records held in the local data file are updated daily and are used to load the billing machine with each day's work—210 calls on average—in the order in which the meters are to be read.

French grid tapped

JERSEY'S parliament has approved a £10m project to import the majority of the island's electricity from France beginning in 1985 by means of a submarine cable

from the more costly off-shore generators used at present.

BUPA hospital

The British United Provident Association (BUPA) yesterday opened its first private hospital in Wales. The 54-bed hospital in Cardiff will be followed by two other hospitals opening this year on Merseyside and near Watford.

AIMS awards

AIMS of Industry, the free enterprise organisation, is this year presenting its annual national award to Sir Ernest Harrison, chairman and managing director of Racal Electronics.

The Scottish award goes to Mr Peter Ross, chairman of Johnstone, agricultural and industrial equipment distributors and manufacturers.

Printworks reopens

THE Northampton printing company of Clarke and Sherwell, which closed last year with the loss of more than 50 jobs, is to reopen at the end of the summer under new owners, the British Photogravure Corporation.

Jobs for Corby

WORK has started on a film housing components factory, at unemployment blackspot Corby, Northants, creating more than 50 new jobs. The complex will also be used as a storage and distribution centre for the John Carr group company.

Canteen initiative

REDUNDANT canteen manager Eileen Lancaster got herself a new job with a business thrown in when she rented back the kitchen building in which she had worked from her former Chesterfield employers, Pearson's Pottery.

Texaco considers sea-bed well system

By RAY DAFTER, ENERGY EDITOR

TEXACO, one of the major U.S.-based oil groups, is looking at plans for exploiting a North Sea oilfield by using seabed production systems.

The idea, being evaluated by company staff and outside consultants, has arisen because Texaco feels that a more conventional production system, costing about £250m, is unlikely to be profitable given the smallness of the field and the expected levels of oil prices and taxation.

Texaco had considered using a production system similar in concept to the floating platforms in British Petroleum's Buchan Field and Hamilton Brothers' Argyll Field for exploiting

block 14/20. Consultants Gaffney, Cline and Associates have been appointed to assist Texaco in the study of sea-bed well systems.

It is thought the studies will be completed late this year when Texaco should be in a position to decide whether or not to proceed with a development plant.

Other North Sea companies are looking at ways of developing small and medium-sized fields more cheaply. Floating production systems—normally less expensive than fixed steel or concrete platforms—are being evaluated by several operators including, it is understood,

British Petroleum in the Andrew Field and Phillips Petroleum in the T-Block complex of reservoirs.

The Energy Department hopes some of these studies will result in early applications for development approval. It is two years since an offshore operating group received Government approval for new field development programme.

One of the first applications is expected to be from the French Total-EElf consortium, which is finalising development plans for its North Alwyn Field, about 100 miles east of the Shetland Islands.

Women's abilities 'neglected'

By LISA WOOD

BRITAIN cannot afford to neglect the abilities of women in the labour force, particularly at a time of economic recession and new training demands for more technical jobs, warns a report published yesterday by the Manpower Services Commission.

The report, Practical Approaches to Women's Career Development, identifies problems encountered by women seeking management posts. It finds that industry generally does not appreciate the social revolution of women pursuing careers and often wanting to be mothers at the same time.

Two-fifths of the UK's workforce are women but about 40 per cent of these are part-timers, the report says. Women hold less than 20 per cent of all management jobs and very few senior positions. Only 8.5 per cent of industrial managers, for example, are women.

Professor Cary Cooper, of the University of Manchester Institute of Science and Technology, and editor of the report, says that women actively pursuing careers experience difficulties in developing them.

Companies need to look at maternity and paternity leave and the provision of nursery facilities, the report says. Promotion policies, often involving moving to another region, need to be examined.

Practical Approaches to Women's Career Development Free from the MSC.

BUSINESS INFORMATION FOR SALE

I'm always needing information—financial statistics, details about competitors, insights into the economy... where can I get it all from?



Information on every aspect of marketing, drawn from a wide variety of international sources.

Facts and figures on all manner of financial and economic topics, from exchange rates and employment statistics to export quotas and share prices.

In short, BIS places a complete research department at your command. You ask the questions. We provide the answers.

The cost? It can be as little as £250 a year, exclusive to subscribers, with the average enquiry costing £9.50. A fair price for getting the right information.

To find out how BIS can become your all-purpose source of business information, please return the coupon.

As a subscriber to the Financial Times Business Information Service, you can have access to all the information you need to make the right decisions. Because BIS is able to draw on the unrivalled resources and expertise of the Financial Times, it is able to provide information on every area of business. And fast. Over the telephone. In a printed report. On microfiche. Or even via on-line computer links.

Detailed facts about every single quoted company in the UK and USA.

Material from the Financial Times library, including files on 25,000 prominent personalities.

Your information is our business. BIS is a division of The Financial Times Business Information Limited, a wholly-owned subsidiary of the Financial Times. Through its various divisions—which also include McCarthy, MIRAC, FINTEL and International Business Newsletters—the company is able to provide the business world with a comprehensive range of information services.

To: The Marketing Department, FT Business Information Ltd, Bracken House, 10 Cannon Street, LONDON EC4P 4BY.
Please send me full details about the Financial Times Business Information Service.
Name _____
Position _____
Company _____
Address _____
Telephone _____
Nature of Business _____

Electricity bills prepared on doorstep

By Our Glasgow Correspondent

ELECTRICITY BILLS prepared on the doorstep with the help of a minicomputer and a portable billing machine are being introduced in Scotland.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the State-owned trading company rather than Britoil.

It is not known how the interests of other board members will be affected by the split. There is speculation in the corporation that at least two directors, Sir Denis Cooke, chairman of British Gas, and the trade union leader Mr Gavin Laird, will be asked to join the board of the

e bounce
business
SPONDENT

WDA puts up £1m for risk ventures

BY ARNOLD KRANSDEORFF

A PUBLICLY-QUOTED British engineering company has received the cautious backing of its workforce to abolish free collective bargaining over annual wage rises.

The scheme—revolutionary in its concept because it cuts through a fundamental of trades union ideology in the UK—is being launched by Petbow Holdings, the diesel generating group based in Sandwich, Kent, which yesterday announced a return to profits after two years.

A hefty majority—90 per cent—of the company's 500 employees have agreed in principle to give up their right to

negotiate wages across the table in the traditional way—against the advice of their unions at national level, including the General and Municipal and the Boilermakers unions.

Tony Dawes, one of the two key negotiating union officials at Petbow, said: "We cannot be dictated to from the outside. We have always tended to go our own way down here."

Instead, their wages will be determined by a strict formula linked to an unusual profit-sharing scheme. The plan alone will determine the future pay rises of all employees, includ-

Profit-sharing schemes are not unusual in themselves, but most of those in operation in the UK involve the distribution of cash, shares, or a choice between cash and shares.

The Petbow scheme is the first which not only replaces the free collective wage bargaining process but also incorporates a provision for the payment of cash and shares.

In theory, because new shares are not involved, Petbow's employees could eventually be awarded enough equity to gain control of the company over the years.

The company's workforce is

represented by five different trades unions in a closed shop environment. All have been advised against giving up free collective bargaining but Petbow's employees have nevertheless agreed in principle to the deal.

The scheme will initially run for 12 months, at which point the employees will decide whether or not to return to the old system of pay determination.

The author of the scheme is Petbow's managing director, Mr Ted Bird, who said he had become progressively more dis-

illusioned with free collective bargaining processes.

"Ordinarily, one sits across a table and argues about a percentage that neither side can really justify," he says. "The system presumes conflict—a major problem in British industry—and it always deteriorates into a bit of a Dutch auction."

Bird's scheme also provides the company with extra short-term cash to help finance expansion plans. Instead of paying increases all at once, wage rises are spread over a number of years.

Results: Page 27

Members given details of new Lloyd's ruling council

BY JOHN MOORE, CITY CORRESPONDENT

LLOYD'S OF London, the insurance market, is making extensive plans for the formation of a new ruling council later this year. The details were revealed yesterday to underwriting members by Sir Peter Green, chairman of Lloyd's, who has said that Lloyd's was in an era of immense change.

At a general meeting of members, Sir Peter explained the next stage in the changes proposed for Lloyd's self-regulation. To follow the passing of the Lloyd's Bill, Lloyd's will have to establish a new council with wider disciplinary and

legislative powers than the present committee.

The council will include, in addition to the 16 members of the 1983 committee of Lloyd's, eight "external" members of the market—members who do not work at Lloyd's, but who pledge their wealth to allow the market to function in return for a share of the profits.

It will be the first time in Lloyd's 300-year history that 16 "external" members will have an opportunity to play an executive role in its affairs.

The new council will also include three outsiders, to be nominated by the council, who

will have no commercial interest in Lloyd's. They will be appointed by the 16 committee members of the council—who work at Lloyd's as brokers or underwriters—and the eight external members.

The external members will have to be elected by postal ballot. Candidates will have to be sponsored by 16 other external members "and must appreciate that, if elected, they will be required to devote a substantial amount of time to Lloyd's affairs," said Sir Peter.

Initially, the council will meet for a full day at least twice a month. "Perhaps after six to nine months these meetings could be reduced."

The council is to decide what if any fees or expenses it considers can be properly paid to its members.

The present ruling committee at Lloyd's receives no fees.

Sir Peter warned members that the cost of legal action arising from the events leading up to the crash of the underwriting syndicate under the management of Mr Frederick Sasse "will be considerable."

Lloyd's members are helping meet a large part of the syndicate's losses, which

reached £21m. Losses borne by the membership amount to about £15m, Mr Sasse and Mr Thomas Turnbull, two executives of the Sasse Turnbull underwriting agency who were not included in the rescue plan mounted by Lloyd's for the stricken syndicate, are suing Lloyd's.

A trial date for that action and other litigation in the affair is set for April 12 1983.

Meanwhile, Sir Peter reckons that the money contributed so far by the membership to aid the 110-strong syndicate, plus other recoveries, will be sufficient to meet all the losses.

which has been largely ignored by the U.S. industry.

Rediffusion plans to sell private business videotex systems in a marketing drive which it expects will pit it directly against International Business Machines' 1980 worldwide sales: \$29.7bn (£33.2bn).

The British company, Rediffusion Computers, part of the Rediffusion electronics and entertainment group, has signed a distribution agreement with Blodgett Computer Information Systems of Salt Lake City, Utah, which will sell the equipment in the U.S.

Rediffusion will make the equipment at its factory in Crawley, Sussex. It plans to set up its own service and support network in the U.S., where it hopes to achieve annual sales of about \$20m within five years.

Rediffusion's move challenges recent conventional wisdom, which holds that British computer manufacturers stand little chance of exporting successfully to the highly competitive U.S. market.

Mr Aldrich hopes that Rediffusion can ride the coattails of IBM's videotex marketing effort by selling systems for half the price.

Avgon, a subsidiary of the National Enterprise Board, has also been marketing business videotex systems in the U.S. for some time. Last week, it sold a system which will be used to link local newspapers on a cable television network owned by Dow Jones, the publishing group.

British campaign launched

By Raymond Snoddy

A THINK BRITISH campaign was launched yesterday with the claim that more than 350,000 new jobs could be created in two years if every household spent £3 a week more on British goods.

The £3 target, the equivalent of a 4 per cent rise in spending on British goods, would also put an estimated £2.5bn extra spending money in circulation and improve the balance of payments by £900m.

A national council, largely composed of women from the consumer movement, women's organisations and the professions, has been set up to run the campaign.

One of the council members, Dame Shelagh Roberts, MEP, said yesterday: "We ask the British public to make a conscious effort to seek out British goods and services, buy them if they are good value, complain if they are not."

The campaign grew out of the battle to support British apples launched by Mrs Margaret Charrington, chairman of the Women's Farming Union. A 20 per cent swing from French to English apples was claimed.

The council is setting up a two-way information centre in Baker Street, London. This will give information on British goods and pass on complaints and ideas on how British products can be improved to industry.

The council aims to mobilise the power of women shoppers who, it is estimated, account for 82 per cent of all buying decisions.



The problem with running your own business is there's no one else to talk to.

When you're managing director, financial director, sales and production director all rolled into one, life isn't just difficult. It's frequently impossible.

It isn't the pressure or the long hours. You wouldn't have gone into business if you were afraid of hard work.

It's the feeling of carrying it all alone, of having no one to turn to for advice.

You don't want anyone telling you what to do, but it would be very nice to have some solid support in building the business.

At Charterhouse that's precisely what we have been offering for the past fifty years.

Because our business is investing in successful private companies, we can provide the money you need—to expand,

or to realise part of your investment, or both.

We make the ideal business partner in other respects too.

With Charterhouse, you've got enormous financial know-how on your side. You've got a wealth of practical management and business experience to draw on.

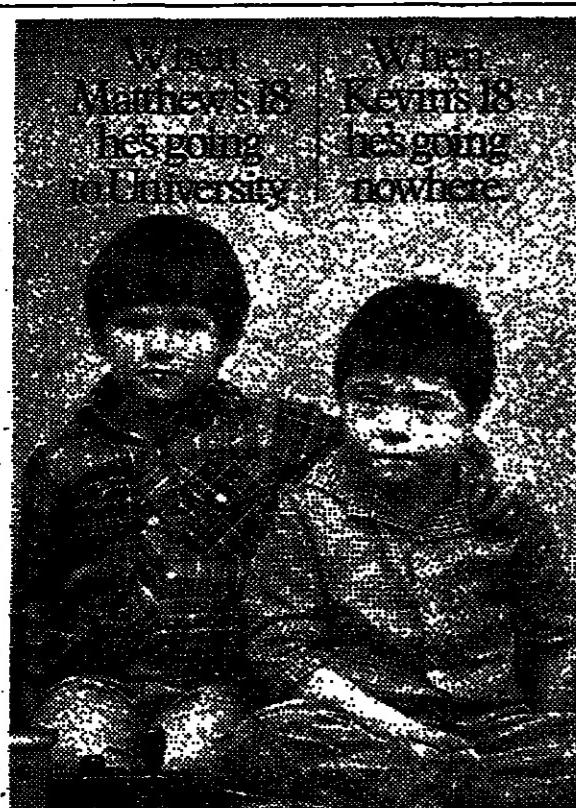
And because our approach is to get involved without interfering, you'll find you've also got a friend.

For further information please write to us.



CHARTERHOUSE

Charterhouse Development Limited, 25 Milk Street, London EC2V 8JE.



Kevin will have to leave school when Matthew does. If he can't read by then it's because he finds learning twice as difficult.

Given time, he'd get there.

Unfortunately, if he can't get the extra education he so desperately needs, he'll just have to take it like an adult. Not easy when you've got a mental age of ten.

Please give money to Mencap,
FREEPOST, London WC1AA.

Name	FT 2
Address	
Please tick box for Christmas Catalogue and more information <input type="checkbox"/>	
Tick box if receipt required <input type="checkbox"/>	
Cheques/POs to be made payable to Mencap.	
MENCAP	

UK NEWS – PARLIAMENT and POLITICS

Fowler stands firm on health service pay

BY IVOR OWEN

INDUSTRIAL action by health service workers will not steamroller the Government into providing more money to finance a further improved pay offer, Mr Norman Fowler, the Social Services Secretary, insisted in the Commons yesterday.

In a hard-line statement, which won cheers from Tory MPs he described the higher pay rises offered on Tuesday—7.5 per cent for the nurses compared with an original increase of 6.4 per cent and 6 per cent for ancillary and other staff previously offered 4 per cent—as final, so far as the Government was concerned.

Mr Fowler declared: "Industrial action is not going to force us into providing more money. The sooner that is taken on board the better it will be for everyone."

He denied allegations by Labour MPs that the decision to make a more generous offer to the nurses than to the ancillary staffs amounted to a "divide and rule" policy. He endorsed the right of the Royal College of Nursing and other professional bodies not affiliated to the TUC to undertake separate negotiations.

Mr Bruce Millan, Labour's shadow Scottish Secretary, told the Minister that the chaos and disruption being caused in the National Health Service was the direct result of his "pig-headed, narrow-minded and provocative behaviour."

With support from the Labour back benches, he emphasised that even the im-

Commons Sketch

Champions disdain minor bouts

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

ODD GOINGS ON during environment questions helped to fill the post-Falklands vacuum in the Commons yesterday. As the well-known West-minister characters came back into the limelight some fascinating changes are to be noted.

Mr Gerald Kaufman, Labour's belligerent environment spokesman, has cast aside his usual flamboyant neckwear and has taken to wearing the subdued kind of tie favoured by suburban bank managers.

In contrast, fans of Mr Michael Heseltine, the Environment Secretary, will be reassured to learn that he is once again growing his hair long and the luxuriant locks are already half an inch over his collar.

But all this palls into insignificance beside the curious change which has taken place in their parliamentary behaviour. There was a time when there were violent verbal skirmishes whenever they faced one another across the floor of the House.

Yesterday, however, they settled on the front benches in a curiously subdued mood, hardly deigning to take part in the exchanges. Perhaps they felt the questions never reached the exalted level which merited their attention.

So instead of the big fight we had to make do with a minor bout between Mr Harvey Proctor (Con, Basildon) and his colleague Sir George Young, the Environment Under-Secretary, who has departmental responsibility for immigrant affairs.

HESELTINE FEARS FOR SERVICES

Councils resist job cuts

BY ROBIN PALEY

THE NUMBER of staff employed by local authorities in England and Wales remains firmly above the 2m mark despite repeated attempts since the Government took office to force councils to cut staff.

In March there were 1,891,264 full-time equivalent council employees in England and 122,673 in Wales, a total of 2,013,937 compared with 2,046,711 in March 1981 and 2,086,593 in March 1979. The net reduction since March 1979, therefore, has been only 72,656 or 3.5 per cent.

Part of the reason for the small drop in the number of staff who take up a major part of local authority current expenditure, is the inclusion of law and order services, where Government policy is to increase staffing levels.

Figures for law and order show only very small increase of 0.1 per cent between December and March and 0.8 per cent between March 1981 and March 1982. There is a big drop in the number of police cadets being recruited.

The number fell by 299 or 14.4 per cent between last December and March and by 1,085 or 38 per cent between March 1981 and March 1982.

Mr Michael Heseltine, Environment Secretary, who has cut the staff of the Environment Department by 22 per cent since taking office, is known to be extremely unhappy about



PSA chief denies increase in fraud

By Andrew Taylor

THE NUMBER of cases involving allegations of fraud and corruption at the Property Services Agency was extremely small in relation to staff and turnover, Mr Monty Alfred, the agency's chief executive, told a parliamentary select committee yesterday.

Workers were being backed by the miners, firemen and other groups. They—and us on the side—are determined to carry on this campaign of industrial action until the Government comes to its senses."

Mr Hamilton contended that, far from being extravagant, a 12 per cent claim represented no more than an attempt to stand still and he told the Minister: "You are going to get much more drastic action unless you are much more flexible."

Mr Fowler replied that a 12 per cent increase would cost an additional £750m—"I think that is a totally ludicrous claim."

To further cheers from the Government benches, he accused Labour MPs of seeking to convert a dispute over pay into a political dispute. "I believe you will lose any remaining credibility if you turn this into a political dispute."

Mr Fowler maintained that, in the context of the new offer, industrial action by health service workers could not possibly be justified. But his appeal to the opposition to join with Government in condemning it was quickly submerged beneath protests from the Labour benches.

Mr William Hamilton (Lab, Central Fife) reminded the Minister that the health service

and wanted the Government to rectify this disgraceful state of affairs.

In the face of this anger Mr Shaw wisely beat a retreat, musing that it was not really anything to do with the Government and the Ordnance Survey had only put out the map for its customer, the European Community.

The House then investigated the strange affair of the plane tree which had fallen down outside the Norman Shaw building near the Commons, damaging cars belonging to secretaries of MPs.

Mr Tim Brinton (Con, Gravesend) whose secretary's car was involved, wanted to know why the aggrieved parties were still waiting for compensation nine months after the accident.

Sir George Young assured him: "The tree fell because its roots were cut, but they were not cut by my department. The finger of suspicion has alighted on the North Thames Gas Board who were seen digging near the area shortly before the tree fell."

Having put these momentous affairs to rights, MPs then heard a statement on the health workers' dispute with invective being hurled across the floor of the House. "It's all his fault," shouted Labour Left-winger Mr Bob Cryer, pointing an accusing finger at the Social Services Secretary, Mr Norman Fowler.

Now this was more like it. If hostilities on the domestic front continue to escalate in this fashion we will see a full-scale resumption of party warfare in no time at all.

Mr Gile Shaw, Environment Under-Secretary, rejected this eminently reasonable suggestion and thought that the nomenclature was quite appropriate.

This brought down the wrath of that super-patriot Mr John Stokes (C, Halewood and Stourbridge), a stalwart member of the Primrose League and the Royal Society of St George. He detected an unfortunate tendency for officials to fight shy of the words England and English

and wanted the Government to rectify this disgraceful state of affairs.

In the face of this anger Mr Shaw wisely beat a retreat, musing that it was not really anything to do with the Government and the Ordnance Survey had only put out the map for its customer, the European Community.

The House then investigated the strange affair of the plane tree which had fallen down outside the Norman Shaw building near the Commons, damaging cars belonging to secretaries of MPs.

Mr Tim Brinton (Con, Gravesend) whose secretary's car was involved, wanted to know why the aggrieved parties were still waiting for compensation nine months after the accident.

Sir George Young assured him: "The tree fell because its roots were cut, but they were not cut by my department. The finger of suspicion has alighted on the North Thames Gas Board who were seen digging near the area shortly before the tree fell."

Having put these momentous affairs to rights, MPs then heard a statement on the health workers' dispute with invective being hurled across the floor of the House. "It's all his fault," shouted Labour Left-winger Mr Bob Cryer, pointing an accusing finger at the Social Services Secretary, Mr Norman Fowler.

Now this was more like it. If hostilities on the domestic front continue to escalate in this fashion we will see a full-scale resumption of party warfare in no time at all.

Mr Gile Shaw, Environment Under-Secretary, rejected this eminently reasonable suggestion and thought that the nomenclature was quite appropriate.

This brought down the wrath of that super-patriot Mr John Stokes (C, Halewood and Stourbridge), a stalwart member of the Primrose League and the Royal Society of St George. He detected an unfortunate tendency for officials to fight shy of the words England and English

Thatcher said Falklands garrison was enough to deter aggression

BY PETER RIDDELL, POLITICAL EDITOR

CONTROVERSY AT Westminster over the origins of the Falklands crisis intensified yesterday following the disclosure of a letter sent by Mrs Margaret Thatcher only two months before the invasion which claimed that the presence of the Royal Marines garrison should be a "sufficient deterrent against any possible aggression."

The admission was immediately seized upon by opposition leaders who accused Mrs Thatcher of serious misjudgment for failing to anticipate the invasion. It will increase the pressure for a rapid inquiry into the events immediately leading up to the invasion.

The Commons committee was told that a total of 35 cases involved allegations of fraud or irregularities had been reported in the past three years.

A report by the Comptroller and Auditor General said: "The total of 35 cases comprises 13 which have already led to convictions for criminal offences or where prosecution is in progress; eight cases where allegations (some anonymous) have been made of criminal activity; and 14 irregularities where no criminal intent has been established."

Mr Alfred denied that fraud was on the increase inside the PSA. He said that cases involving staff in allegations of possible corruption and irregularities during the past five years had affected one member of staff in every 1,000. This was a much lower average than for private sector industry and commerce and society generally.

Mr Alfred accepted that in some cases the PSA had been a little slow in introducing check systems to protect against the possibilities of fraud. He blamed staff shortages

week before announcing the terms of reference and membership of the inquiry.

The letter, published in yesterday's Standard, was sent on February 3 to Mrs Madge Nichols, a Tory activist, who has questioned the Government's decision to withdraw HMS Endurance, the survey patrol ship on duty in the south Atlantic.

Mrs Thatcher said the Government's commitment to "the territorial integrity of the Falkland Islands is not in doubt. Our judgment is that the presence of the Royal Marine garrison, which unlike HMS Endurance is permanently stationed in the Falklands, is sufficient deterrent against any possible aggression."

The Whitehall comment yesterday was that the letter was sent out two months

before the invasion when there was no evidence that Argentina was planning such a move and when intensive diplomatic efforts were under way.

In a television interview in New York yesterday when she addressed the UN, Mrs Thatcher noted that the garrison on the day of the invasion was only 75. "Of course it was not enough to withstand an invasion, but then I do not think any of us had quite expected that we would get a sudden invasion without an enormous increase in tension beforehand. But we did not get that increase in tension except a few days before."

"We had had a previous incident way back in 1976 when they fired a shot across the bows of our ships and then one knew there was a

period of tension and adequate preparation could not be made. There just was not time on this occasion."

There was immediate angry reaction in Westminster to the letter. Mr David Steel, the Liberal leader, issued a statement saying: "This letter gives added weight to the view which I have already put to the Prime Minister. The top priority for the inquiry must be to review the period immediately prior to the invasion and the Government's misjudgments which led to it of which this letter appears to be a prime example."

For Labour, Mr Stanley Clinton Davis, a Foreign Affairs spokesman, said the letter was "a devastating portrayal of complacency and blindness to reality and the Prime Minister must personally be called to account."

Urgent policy decisions needed, Shore says

BY BRIAN GROOM

LABOUR would have to do far more than deal with the Militant Tendency if it wanted to win the next General Election, Mr Peter Shore, shadow Chancellor, said yesterday.

The party had to "get back into the mainstream of people's lives," he told the conference of the Iron and Steel Trades Confederation at Douglas, Isle of Man.

"We are a long way from getting a Labour Government now," he said. Although the Falklands campaign had brought a temporary renewal of support for the Government, Labour had shown no significant lead over

the Conservatives beforehand.

Acceptance by the national executive of the Militant report was "a long stride" towards dealing with that problem, he said. "This is the second report on the Militant Tendency we have had in recent years. This time they must be dealt with and dealt with effectively."

Labour would have to do much more to win back the voters' confidence. People had a blurred impression of what Labour policies were. Labour had to decide urgently its policies on matters such as job creation, the balance of pay-

ments, the flight of capital and borrowing. The unions and the party had to have an agreed approach to incomes.

Labour should not expect an election to be beyond October

1983 and it might be before, Mr Shore added.

He denied that his rare appearance at a union conference signalled the start of a bid for the party leadership.

Soccer clash inquiry call

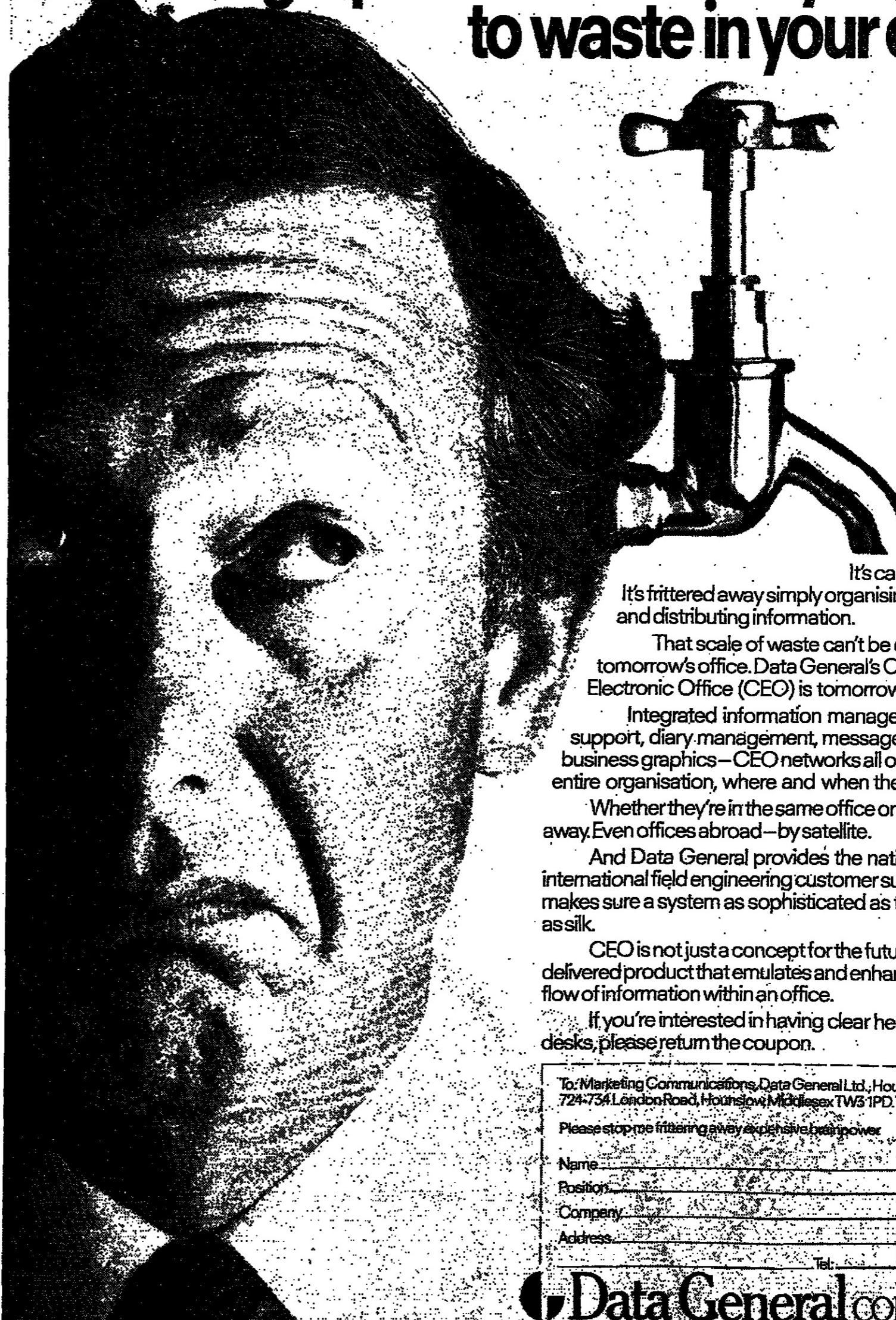
AN on-the-spot inquiry into a "tragic and deplorable" World Cup clash between England and Scotland fans at Lloret de Mar was urged in the Commons yesterday by Mr Dennis Canavan (Lab, Stirlingshire West).

He asked Mr Neil Macfarlane,

the Sports Minister, whether he had found out "the exact circumstances of the violent confrontation" between supporters after the Scotland v Soviet Union match.

Mr Macfarlane said he had received no detailed reports

A lot of high-priced machinery is going to waste in your office.



It's called brainpower.
It's frittered away simply organising, interpreting and distributing information.

That scale of waste can't be countenanced in tomorrow's office. Data General's Comprehensive Electronic Office (CEO) is tomorrow's office—today.

Integrated information management, decision support, diary management, message handling, business graphics—CEO networks all of these to your entire organisation, where and when they are needed.

Whether they're in the same office or offices miles away. Even offices abroad—by satellite.

And Data General provides the national and international field engineering customer support that makes sure a system as sophisticated as this runs smoothly.

CEO is not just a concept for the future—it is a proven, delivered product that emulates and enhances the entire flow of information within an office.

If you're interested in having clear heads behind clear desks, please return the coupon.

To: Marketing Communications, Data General Ltd, Hounslow House, 724734 London Road, Hounslow, Middlesex TW3 1PD. Tel: 01-572 7455.
Please stop me frittering away brainpower.
Name _____
Position _____
Company _____
Address _____
Telex _____
Fax _____

Data General COMPUTERS

Left fights for key AUEW post

BY BRIAN GROOM, LABOUR STAFF

THE LEFT-WING may be poised to dent the right's 100 per cent control of the executive committee of the Amalgamated Union of Engineering Workers.

The AUEW right is seriously worried that the battle to succeed Mr Gayd Laird, general secretary elect, as executive member for Scotland may be won by the left's candidate, Mr Jimmy Airlie.

It acknowledges that Mr Airlie, Scottish Regional Officer, is a powerful candidate. But equally worrying is the fact that a split has emerged in its own camp and two candidates will be fielded.

Mr Tom Dougan, divisional

organiser, has been selected as the right's candidate. However, it is understood that Mr Johnny Byrne, national organiser, is also to stand, thus splitting the vote.

Mr Byrne could win a large number of votes. Two years ago he was confirmed in his present post by an impressive ballot majority.

If the ballot for the Scottish executive post in September produces no clear result, a run-off between the two leading candidates would take place in March.

In the meantime, Mr Laird would continue to do the job. On Tuesday, the AUEW executive decided that Mr

Laird is to lose his seat on the TUC general council, in a reversal to traditional practice whereby the general secretary is not a general council member.

• Mr Terry Duffy, AUEW president yesterday floated the idea of a single union for metal workers—or at least a closer liaison between existing unions.

Lessons should be learnt from the 1980 steel strike, he told the annual conference of the Iron and Steel Trades Confederation at Douglas, Isle of Man.

He held up IG Metall, the West German metalworkers' union, as a union making real gains for its members.

reassemble themselves into new formations."

A regrouping of forces was needed to withstand a Government's attack which was sapping the financial and membership strength of the unions, he said.

The new technology demands wider demarcation lines and the demarcation lines had artificial barriers which we ourselves have sometimes placed between us, are fast disappearing in all industries."

Lessons should be learnt from the 1980 steel strike, he told the annual conference of the Iron and Steel Trades Confederation at Douglas, Isle of Man.

"Perhaps the time has now come for unions in the UK to

About 6% are 'better off while on the dole'

BY OUR LABOUR EDITOR

SOME 6 per cent of unemployed men were better off while unemployed than in work, according to a survey in the current issue of Employment Gazette.

The figure rises to 9 per cent when occupational pensions, and "other sources of income" are taken into account.

The survey, which covered a sample of men who had worked full-time in the previous year but had been unemployed for at least three months, was taken in 1979-80.

TUC urges aid for long-term jobless

BY JOHN LLOYD, LABOUR EDITOR

THE TUC yesterday backed the search for programmes to assist the plight of the long-term unemployed.

The TUC General Council has called for a boost in the Manpower Services Commission's community enterprise programme, which is aimed at providing the long-term jobless with socially useful work.

Mr Len Murray, the TUC general secretary, said that any other scheme would be seen as "very much a second best", though the TUC was prepared to examine any scheme which created a maximum number of jobs and paid reasonable rates.

The council has welcomed the acceptance by Mr Norman Tebbit, the Employment Secretary, of the MSC task group's recommendations for a youth training scheme. This entailed Mr Tebbit's dropping his insistence that the scheme contain an element of compulsion. However, Mr Murray stressed

that much work still had to be done by employers and unions in shaping schemes to fit young workers' needs.

• The General Council accepted a report from the TUC finance and general purposes committee, recommending that a document on restructuring the council be presented to its next meeting, at the end of July.

The document, which is likely to go to Congress in September in the form of a recommendation, will outline a structure in which unions with more than 100,000 members would have the automatic right to at least one council member, while the smaller unions would elect 11 members from a single list of nominees.

Mr Murray said that the report would include mention of the difficulties encountered by the council in drawing up an agreed report.

• Congress will also be recom-

mended to approve a rule change calling for fees to be paid quarterly rather than annually, in order to improve the TUC's cash-flow. However, there will be no recommendation to increase fees.

Mr Murray is to write to the Prime Minister, and to the Foreign and Agriculture Secretaries, protesting against the 10.2 per cent increase in farm prices recently agreed by the EEC.

In a statement issued after yesterday's meeting, the council said that "the reform of the EEC budget is a precondition for the Community being able to tackle unemployment through expanding its regional and spending."

The council agreed that the next stage in the campaign on Europe "will concentrate on a number of areas in which alternative arrangements to the present operation of the EEC need to be set out."

Management then laid off 2,000 day shift production workers in the paint, trim and final assembly areas and told them not to report for work until tomorrow morning. The night shift is expected to work normally.

his income in and out of work." • The number of days lost through industrial disputes more than doubled in May over the previous month. Figures supplied by Employment Gazette showed that 67,000 days were lost last month compared with 27,000 in April.

Aggregate figures for the first five months of 1982 show that 2,794,000 days were lost, compared with 2,340,000 in the same period in 1981.

Aggregate figures for the first five months of 1982 show that 2,794,000 days were lost, compared with 2,340,000 in the same period in 1981.

Escort output disrupted at Ford Halewood

By Our Labour Staff

ESCORT PRODUCTION was disrupted at Ford Halewood, North Merseyside, yesterday, with 60 men on strike and 2,000 laid off, in the latest in a number of disciplinary disputes at the factory.

Trouble flared up on Tuesday when a man in the paint shop was suspended for two days starting yesterday, after management said he was not working to standard. About 60 of his colleagues said they would not report for work over the suspension period.

Management then laid off 2,000 day shift production workers in the paint, trim and final assembly areas and told them not to report for work until tomorrow morning. The night shift is expected to work normally.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

All-out Tube strike likely as unions oppose compromise

BY DAVID GOODMAN, LABOUR STAFF

THE LONDON Underground Council's cheap fares scheme, LT first tried to introduce the timetables last month but they were postponed following union protest.

When they were finally introduced on Monday NUR members refused to work the new schedules and they were sent home. On Monday night Aslef pulled out its 2,000 drivers over half the total.

LT says the cuts in peak hour services would save £2.5m a year, would lead to no job losses and would mean only a 4 per cent cut in services. LT also says that passenger numbers have dropped by 11.3m in the past decade even before the latest 11 per cent drop following the Law Lords' decision.

But the rider, that if an alternative acceptable to all parties was not found in that time, the new timetables would be reintroduced, was rejected by the unions.

The unions still want the scrapping of the new cost-saving timetables which follow the Law Lords' decision to outlaw the party looked at alternative ways of cutting costs.

Mr Andy Dodds, NUR assistant general secretary, said last night that LT had been irresponsible to go ahead with the cuts. They admit that the only long-term solution is to give London Transport the same sort of subsidy as every other major city in the world," he said.

Sealink offers seamen 'no redundancy' deal

BY IVO DAWNEY, LABOUR STAFF

SEALINK UK yesterday offered seamen at Harwich a guarantee of no redundancies before the end of the year in return for agreement on new rosters that will cut ratings' earnings by up to 28 per cent in some cases.

The British Rail subsidiary has warned the seamen that unless they accept working practices laid down by the National Maritime Board next week the company will be forced to impose compulsory job cuts.

A mass meeting of the 500 Sealink ratings based at Harwich will discuss the ultimatum today. However the National Union of Seamen has already promised official backing for any action taken by the men to fight the plan.

Unions representing the 600 men originally claimed a 12 per cent increase plus improvements in working conditions. Employers replied with a 5 per cent offer increased after the intervention of the Advisory, Conciliation and Arbitration Service to 5 per cent.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

threaten a further 40 redundancies.

Talks on similar changes in working practices are at present taking place with Sealink's 230 officers. Though no salary cuts are planned, the company acknowledges that officers will be required to work longer hours.

Sealink's ultimatum comes after six months of talks with the unions aimed at cutting costs on the loss-making Harwich routes.

• North Sea caterers workers on 16 offshore installations are threatening strike action from July 4 following a breakdown in their annual wage negotiations.

Unions representing the 600 men originally claimed a 12 per cent increase plus improvements in working conditions. Employers replied with a 5 per cent offer increased after the intervention of the Advisory, Conciliation and Arbitration Service to 5 per cent.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

threaten a further 40 redundancies.

Talks on similar changes in working practices are at present taking place with Sealink's 230 officers. Though no salary cuts are planned, the company acknowledges that officers will be required to work longer hours.

Sealink's ultimatum comes after six months of talks with the unions aimed at cutting costs on the loss-making Harwich routes.

• North Sea caterers workers on 16 offshore installations are threatening strike action from July 4 following a breakdown in their annual wage negotiations.

Unions representing the 600 men originally claimed a 12 per cent increase plus improvements in working conditions. Employers replied with a 5 per cent offer increased after the intervention of the Advisory, Conciliation and Arbitration Service to 5 per cent.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

threaten a further 40 redundancies.

Talks on similar changes in working practices are at present taking place with Sealink's 230 officers. Though no salary cuts are planned, the company acknowledges that officers will be required to work longer hours.

Sealink's ultimatum comes after six months of talks with the unions aimed at cutting costs on the loss-making Harwich routes.

• North Sea caterers workers on 16 offshore installations are threatening strike action from July 4 following a breakdown in their annual wage negotiations.

Unions representing the 600 men originally claimed a 12 per cent increase plus improvements in working conditions. Employers replied with a 5 per cent offer increased after the intervention of the Advisory, Conciliation and Arbitration Service to 5 per cent.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

threaten a further 40 redundancies.

Talks on similar changes in working practices are at present taking place with Sealink's 230 officers. Though no salary cuts are planned, the company acknowledges that officers will be required to work longer hours.

Sealink's ultimatum comes after six months of talks with the unions aimed at cutting costs on the loss-making Harwich routes.

• North Sea caterers workers on 16 offshore installations are threatening strike action from July 4 following a breakdown in their annual wage negotiations.

Unions representing the 600 men originally claimed a 12 per cent increase plus improvements in working conditions. Employers replied with a 5 per cent offer increased after the intervention of the Advisory, Conciliation and Arbitration Service to 5 per cent.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

threaten a further 40 redundancies.

Talks on similar changes in working practices are at present taking place with Sealink's 230 officers. Though no salary cuts are planned, the company acknowledges that officers will be required to work longer hours.

Sealink's ultimatum comes after six months of talks with the unions aimed at cutting costs on the loss-making Harwich routes.

• North Sea caterers workers on 16 offshore installations are threatening strike action from July 4 following a breakdown in their annual wage negotiations.

Unions representing the 600 men originally claimed a 12 per cent increase plus improvements in working conditions. Employers replied with a 5 per cent offer increased after the intervention of the Advisory, Conciliation and Arbitration Service to 5 per cent.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

threaten a further 40 redundancies.

Talks on similar changes in working practices are at present taking place with Sealink's 230 officers. Though no salary cuts are planned, the company acknowledges that officers will be required to work longer hours.

Sealink's ultimatum comes after six months of talks with the unions aimed at cutting costs on the loss-making Harwich routes.

• North Sea caterers workers on 16 offshore installations are threatening strike action from July 4 following a breakdown in their annual wage negotiations.

Unions representing the 600 men originally claimed a 12 per cent increase plus improvements in working conditions. Employers replied with a 5 per cent offer increased after the intervention of the Advisory, Conciliation and Arbitration Service to 5 per cent.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

threaten a further 40 redundancies.

Talks on similar changes in working practices are at present taking place with Sealink's 230 officers. Though no salary cuts are planned, the company acknowledges that officers will be required to work longer hours.

Sealink's ultimatum comes after six months of talks with the unions aimed at cutting costs on the loss-making Harwich routes.

• North Sea caterers workers on 16 offshore installations are threatening strike action from July 4 following a breakdown in their annual wage negotiations.

Unions representing the 600 men originally claimed a 12 per cent increase plus improvements in working conditions. Employers replied with a 5 per cent offer increased after the intervention of the Advisory, Conciliation and Arbitration Service to 5 per cent.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

threaten a further 40 redundancies.

Talks on similar changes in working practices are at present taking place with Sealink's 230 officers. Though no salary cuts are planned, the company acknowledges that officers will be required to work longer hours.

Sealink's ultimatum comes after six months of talks with the unions aimed at cutting costs on the loss-making Harwich routes.

• North Sea caterers workers on 16 offshore installations are threatening strike action from July 4 following a breakdown in their annual wage negotiations.

Unions representing the 600 men originally claimed a 12 per cent increase plus improvements in working conditions. Employers replied with a 5 per cent offer increased after the intervention of the Advisory, Conciliation and Arbitration Service to 5 per cent.

The NUS calculates that working the new rosters would reduce the average earnings, including overtime and bonuses, of able seamen from £205 a week to £165 a week. The union also fears that the changes in working practices involved could also

threaten a further 40 redundancies.

Talks on similar changes in working practices are at present taking place with Sealink's 230 officers. Though no salary cuts are planned, the company acknowledges that officers will be required to work longer hours.

Sealink's ultimatum comes after six months of talks with the unions aimed at cutting costs on the loss-making Harwich routes.

• North Sea caterers workers on 16 offshore installations are threatening strike action from July 4 following a breakdown in their annual wage negotiations.

Unions representing the 600 men originally claimed a 12 per cent increase

What you're looking at is no Sea of Tranquillity.

Neither is it a scene from the imagination of some science-fiction artist (although we commissioned one of Britain's finest sci-fi artists to paint it).

It is what you would actually see if the waters of the North Sea suddenly became invisible.

Silhouetted against a huge moon are the four giant production platforms that form the core of the Brent oilfield.

The Brent Field, operated by Shell, lies far out to sea, roughly halfway between Scotland and Norway, and about 100 miles northeast of Shetland.

The painting shows (*from left*) the production platforms Delta, Charlie, Bravo and Alpha, each towering well over 700 feet above the seabed in its steel, or concrete, socks.

They are built to withstand one-hundred foot waves and winds gusting up to 160 mph while continuing to collect oil and gas, 24 hours a day, from rock depths lying some two miles beneath the sea-floor.

Floating in the far distance (*bottom right*) is the drilling rig Stadrill, prospecting for oil in another part of the Brent Field.

And riding the invisible seas with contemptuous ease (*top right*) is the 23,000 ton semi-submersible, pipe-laying barge Semac I.

FLAGS: a major new gas-gathering scheme in the North Sea.

We used Semac I to lay one of the world's longest, largest, deepest undersea pipelines. (The painting shows the pipe being fed over the stern of the barge and trailing down to the seabed.)

The pipeline is the backbone of a major new North Sea gas-gathering scheme known to the oil industry as FLAGS: Far North Liquids & Associated Gas System.

It will enable us to bring ashore the substantial and hitherto untapped gas reserves of Brent and other oilfields in the northern North Sea.

The FLAGS pipeline, 36" across and made of steel coated with concrete, runs 280 miles along the seabed between the Brent Field and St. Fergus in Scotland.

Laying it was an astonishing feat.

The North Sea is no millpond. It is quite the most hostile stretch of water the oil and gas industry has ever tackled.

Much of the pipeline was laid in appalling weather: force 10 gales, thick fog rolling in the troughs between giant waves, zero visibility.

The FLAGS system will before long be supplying some 12% of Britain's gas needs. (The Brent Field already supplies about an eighth of Britain's oil.)

But neither statistics nor adjectives (nor the vastness of our operating costs) can ever give you a real sense of the scale and scope of our work in the North Sea.

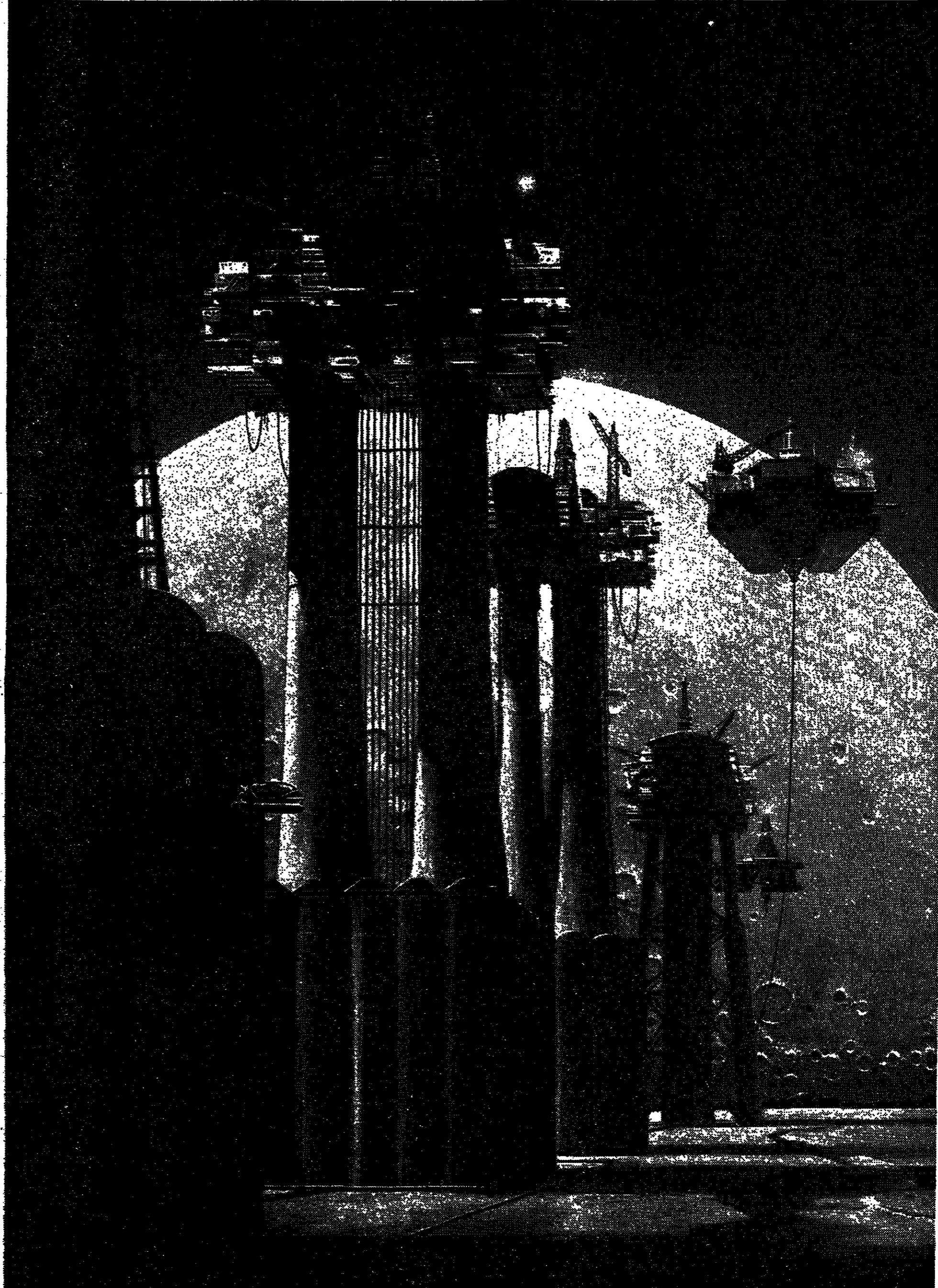
The Brent Field: an offshore oiltown.

The Brent Field, for instance, does not simply consist of the four great platforms attended by a pipe-laying barge and a drilling rig or two.

Several other giant structures (like the floating oil-storage and loading facility, Spar) are nearby. And platforms may be attended by 'hotels' (floating hotels) and semi-submersible diving barges.

Tugs, tankers and supply boats ply the surface, the latter bringing in everything from drill-pipe, cement for well-casing and drilling mud, to food and fuel.

Under the surface, mini-subs and diving-bells are at work. While in the skies, helicopters constantly come and go,



bringing in vital tools and flying drilling crews and other technicians in and out.

Our platforms and rigs are crewed by over 3,000 men, who manage to tuck away well over 100 tons of food each week.

Power to keep the big platforms working is generated by turbines similar to those which fly large jet aircraft.

Computer banks continuously receive and process information about subsea oilwells and the many working functions of each platform, key data being relayed simultaneously to the platforms and Shell headquarters in Aberdeen.

The cost of these operations is so immense that it beggars description.

One way of putting it is that Shell's expenditure in the North Sea has amounted to more than half a million pounds per day, every day for the last eighteen years.

When we add up our chequebook stubs, our total investment to date works out at more than £4,000 million in 1981 money. Those figures double when you include the sums invested by us on behalf of our partners.

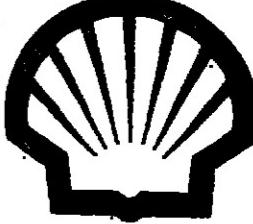
A conquest to rival the moon-landings.

Although there are projects which cost more, in terms of sheer technological innovation there is no other achievement on earth to match the conquest of the North Sea.

We have pushed back the limits of technology so far that the only feat which invites comparison is otherworldly: the placing of the first men on the moon by NASA's Apollo space programme.

As a matter of fact, the computer-room that monitors our operations has a great deal in common with that famous control-room in Houston.

And Shell is proud to be in the forefront of an endeavour which only twenty years ago, would have been dismissed as pure science-fiction.



You can be sure of Shell



digital decdatasystem

Digital Equipment Co. Limited HEAD OFFICE READING: Digital Park, Worton Grange, Imperial Way, Reading, Berks. Tel. (0734) 868711. Telex 848327/8. SALES AND SERVICE BRANCHES: Basingstoke Tel. (0256) 56233. Telex 858503. Belfast Tel. (0232) 20024. Telex 747837. Birmingham Tel. (021) 3556111. Telex 337060. Bristol Tel. (0272) 656201. Telex 449693. Edinburgh Tel. (0589) 30241. Telex 727113. Epsom Tel. (037 27) 29666. Telex 929920. Leeds Tel. (0532) 588154. Telex 556432. Leicester Tel. (0533) 530931. Telex 341794. London Tel. (01) 637 5200. Telex 27560. Manchester Tel. (061) 865 8676. Telex 668666. Welwyn Tel. (043871) 6111. Telex 826195. Chelmsford (Service Only) Tel. (0245) 351615. Telex 995681. Maidstone (Service Only) Tel. (0622) 677561. Telex 966109. Newmarket Tel. (0638) 67201. Telex 817333. Teesside (Service Only) Tel. (0642) 470444. Telex 586118. The Digital Logo, PDP, DEC, MINC, GIGI and VAX are Trademarks of Digital Equipment Corporation.

so that he arrives knowing exactly what the maintenance needs are.

These services have been reinforced with the expansion of the Telephone Support Centre where customers can dial in for software advice and assistance.

Financial stability.

The financial stability of Digital as a base on which both we and our customers can build was recognised in the previous financial year in the form of an AAA credit rating from Standards and Poors. Only two computer companies and fewer than 25 companies in all have obtained this rating.

Sound finance includes the ability to cope with the sudden bursts of growth in some sectors of our market such as terminals and microcomputers.

Sales growth greater than 25% annually creates a need for cash in excess of our internal financing capability, so we will continue to retain our earnings and re-invest them in the business.

Our four part review.

Yesterday we saw how Digital is investing for the future in Britain with manufacturing plant, new headquarters at Reading and an expanding network of regional offices.

Compatibility has been a crucial consideration in developing Digital systems for 20 years. Tomorrow we see how Digital continues to make computers that will work with other computers.

Please contact your local Digital sales office if you would like a copy of the Operations Review or a reprint of this four part series.

digital

Financial Times

On Tuesday the managing director of Digital Equipment Co. Limited, Darryl T. Barbé, reviewed the company's continuing impressive growth in the 1981 financial year.

Last year Digital's turnover in the UK rose by 27% to £142 million compared to £112 million in the previous year.

Mr. Barbé said the continuing recognition of Digital as a stable yet innovative supplier in Britain depended as much on staff commitment as on building advanced and proven computers.

Today, in the third part of a four part review, we look at some of the ways we help our customers to get the most efficient use from their Digital systems.

Digital employs more than 860 professional hardware and software support staff to provide comprehensive back-up for 10,000 plus users in Britain.

In many technically orientated applications such as engineering design, high energy physics, aircraft simulation and laboratory analysis, customers need to test and develop programs before their own system is delivered. Digital now offers this service at the

Technical Marketing Centre in Reading.

Staffed by senior software professionals, the centre offers powerful VAX systems, MINC laboratory computers and advanced GIGI colour graphics terminals.

The centre features the latest networking and communications technology including DECnet and X.25. The London Datacentre which opened three years ago continues to provide similar facilities for our commercial customers.

Digital's three education centres in Britain provide training for both our own and our customers' engineers and software experts covering the entire range of products. Digital has begun to sponsor courses at polytechnics, universities and colleges in several European countries and the United States aimed at increasing the number of graduate computer engineers.

In 1981, 22 students graduated from the Polytechnic of Central London under a Digital-sponsored programme and were awarded their degrees as professional computer engineers. Digital provided a computer

system, tuition assistance and course materials, and sponsored nine of the students for their two years full time study.



The Remote Diagnosis Centre.

The Remote Diagnosis Centre in Basingstoke uses the most advanced techniques of computerised fault finding. It has 46 professionals specialising in system repair and supports services that include guaranteed response 24 hours a day, 7 days a week.

We're advancing our customer services as fast as computer technology.

During the year, the Centre increased the number of customers connected to a total of 450 while extra engineers, software specialists and instructors were recruited to cope with the increased demand for services.

Customers linked to the Centre can expect faults to be isolated extremely quickly. A diagnostic routine will be running within 15 minutes of making their fault call.

An engineer can then be on site with the right part within four hours (in most parts of the UK and

BBC 1

TELEVISION

LONDON

6.40-7.55 am Open University (ultra high frequency only).
7.45-11.50 For Schools, Colleges.
1.00 pm News After Noon. 1.30
Chock-A-Block. 1.55 Wimbledon
Lawn Tennis Championships.
4.15 Regional News for England
(except London). 4.20 Play School. 4.45 The Littlest Hobo.
5.05 Newsround. 5.10 Blue Peter.
5.40 News.

6.00 Regional News Magazines.
6.25 Nationwide.
6.50 World Cup Report with highlights of today's matches.

7.30 Top of the Pops.

8.10 Fame: Coco vies with her teacher for a lead in a musical. Second part of this 16-part series.

9.00 News.

2.25 Oppenheimer, Part 4, Summer 1944.

10.25 Mississippi Days and Southern Nights. Glen Campbell and guests take a lazy journey up the Mississippi.

11.15 News Headlines.

11.20 World Cup Report: Highlights of tonight's three matches — France v Czechoslovakia, Algeria v Chile and Honduras v Yugoslavia.

Tonight's Choice

The second Test joins Wimbledon and the World Cup on the television schedules — ITV will be filling its prime time with the one you have all been waiting for, Yugoslavia versus Honduras from 7.30. A small plug for Top of the Pops which, despite its detractors and lack of "street credibility," seems to be almost up to date these days, and Fame, which follows it, should quickly build up a following among young teenagers, with its stage school setting.

Back to reality and Brass Tacks Reports on BBC 2, which looks at the mentally disturbed drifters who hang around Salvation Army shelters and park benches. Later on the same channel the announcement of the result of the most ignored by-election of recent years, at Coalbridge and Aldridge, will keep a few politicians awake.

Bill Street Blues on ITV at 11.15 has built up a cult following but since this is the second part of a double-header this is hardly the week to get hooked. Earlier, on what looks like one of the dullest television nights of the decade, some harmless fun can be had out of Give Us A Clue, also ITV, in which Lionel Blair and Una Stubbs have the suitably ebullient personalities to make charades seem quite hilarious. Michael Aspel effortlessly proves that he is the only rival to Terry Wogan as a media link-man.

ANTONY THORNCROFT

BBC 2

6.40-7.55 am Open University. 8.10 Human Brain. 9.00 Lulu in concert. 9.30 Brass Tacks reports. 10.10 Wimbledon Match of the Day. 10.55 Newsnight. 11.35 Cricket: Second Test, England v India. 12.00 Cricket: Second Test (continued coverage). 2.00 You and Me. 11.30 Cricket: Test highlights. 12.00-13.00 am Newsnight: By-Election Special. 3.05 Cricket and Wimbledon. 8.05 News Summary.

All IBA Regions as London except at the following times:

ANGLIA 1.20 pm Anglia News. 2.00 Not for Women Only. 4.20 Fangface. 4.45 The Adventures of Black Beauty. 5.15 Survival. 6.00 About Anglia. 11.15 News in Trust. 11.45 Lou Grant. 12.45 am St John of Jerusalem.

BORDER 1.20 pm Border News. 4.20 Sport Daily. 4.45 Here's Boomer. 5.15 University Challenge. 6.00 Lookaround Thursday. 11.15 Pre-Celebration Snooker. 12.00 Border News Summary.

CENTRAL 12.30 pm The Young Doctors. 1.20 Central News. 4.20 Alice in Wonderland. 5.15 Saturday News. 6.00 5.25 Central News. 11.15 Central News. 11.20 Thriller: "The Next Victim," starring Carroll Baker.

CHANNEL 1.20 pm Channel Lunchtime News. (S) Stereo broadcast (when broadcast on VHF)

RADIO 1

5.00 am Radio 2. 7.00 Mike Read. 9.00 Simon Bates. 11.30 Dave Lee Travis. 1.00 pm Steve Wright. 4.30 Richard Skinner. 7.00 Weather. 7.30 Weather. 8.00 David Jensen. 10.00-12.00 Mark Elen. (S).

VHF Radio 1 and 2. 5.00 am With Radio 2. 7.00 Alan Partridge. (S). 4.00 Colin Berry. 7.00 5.45 News. 8.00 John Dunn. (S). 7.00 With Radio 2. 10.00 With Radio 1. 12.00-5.00 am With Radio 2.

RADIO 2 5.00 am Ray Moon (S). 7.30 Terry Wogan (S). 10.00 Jimmy Young (S). 12.00 Gloria Hunniford (S). 2.00 Wimbledon 82. 1.00 John Dunn (S). (continued from VHF). 8.00 Celia (S). 8.00 Alan Dalt with Big Band Sound (S). 8.50 Sports Desk. 10.00 The Impressions. 10.30 Star Sound Extra. 11.00 Brian Mathew with Round

Midnight (stereo from midnight). 2.00-5.00 am You and the Night and the Music (S).

RADIO 3 6.55 am Weather. 7.00 News. 7.05 Morning Concert (continued). 8.00 Morning Concert (continued). 9.00 News. 9.00 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

Medium Wave as VHF except England v India.

RADIO 4 6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping Forecast. 6.30 Today. 8.33 Yesterday in Parliament. 8.57 Weather, travel. 9.00 News. 9.05 A New Look. 10.00 The Living World. 10.30 News. 10.00 The Living Journey. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.03 UpDate. 11.48 Enquire Within. 12.00 News. 12.02 pm You and Yours. 12.27 Special (continued).

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 5 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 6 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 7 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 8 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 9 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 10 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 11 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 12 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 13 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 14 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 15 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 16 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 17 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 18 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

by Michelene Wandor (S). 8.40 Mozart chamber music (S). 9.10 Roger Dodds' "The Last Days of Pompeii" (short story). 9.30 Joachim Raff (S). 11.15 News.

RADIO 19 6.00 am Weather. 6.30 Country Music. 7.00 News. 7.30 This Week's Composer: Purcell (S). 10.00 Chicago Symphony Orchestra (S). 10.45 Elgar chamber music (S). 11.00 Scottish National Orchestra (S). 11.30 Manchester Summer Recital (S). 2.00 "Ernani," opera in four acts by Verdi, sung in Italian, performance conducted by Thomas Schippers. 4.00 Classical Concert (S). 4.55 News. 5.00 Mainly for Pleasure. 6.30 Stockholm (S). 7.00 Handel (S). 7.30 Aurora Leigh by Elizabeth Barrett Browning, dramatised for radio

Accountancy Appointments

**ACCOUNTANCY APPOINTMENTS
ARE CONTINUED ON
FOLLOWING PAGES**

Broad management role within U.K. subsidiary of substantial European multinational...

FINANCIAL CONTROLLER

Telford,
Shropshire.

Our client is a U.K. company (c. £20 million) within one of Europe's leading multinational groups, whose activities encompass all aspects of electrical engineering, including power generation and distribution, marine and offshore engineering, process control, telecommunications and microelectronics. With a presence in over 140 countries, group turnover exceeds £2.5 billion.

Reporting to the Managing Director, the Financial Controller will have a broad span of control, with full responsibility for all accounting and data processing activities within the company. There is an emphasis on systems development and active control of financial resources, as well as participation, as a key member of the senior executive team, in strategic decision making.

Candidates should be qualified accountants, preferably graduates, aged in their 30's, with a record of success leading to a line management appointment in a manufacturing or engineering environment. A strong personal presence, and well-developed commercial skills are key attributes. The potential exists for career development within the group in the medium term.

Written applications containing career details should be forwarded, in confidence, to Anthony J. Forsyth, B.Sc., at our London address quoting reference number 3632.

circa £18,000 p.a.
plus car

Career development role with leading high technology group...

YOUNG TREASURER

Reading:

Up to £15,000 p.a. plus car and other benefits.

Our client is the holding company of a diversified high technology group comprising 25 operating companies in the U.K., Europe and N. America, manufacturing and marketing electronic components and equipment for the industrial and professional markets. A high degree of decentralisation, management incentives and firm financial control have led to continuing fast but controlled growth.

Reporting to the Finance Director, the treasurer will be responsible for handling group bank facilities, foreign exchange and money market operations. He or she will also be involved in other head office financial functions. It is intended that after a period of about eighteen months to two years the successful candidate will be moved to a line appointment with a subsidiary company.

Applications are invited from qualified accountants, probably graduates, in their late 20's or 30's with relevant experience in the treasury department of an industrial or commercial company. A record of achievement coupled with commercial awareness are necessary attributes.

Written applications with career details should be sent, in confidence, to Anthony J. Forsyth, B.Sc., at our London address, quoting reference number 3631.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

**DOUGLAS
LLAMBIAS**
Douglas Llambias Associates Limited
Accountancy & Management
Recruitment Consultants



Fulfil Your Potential City £15,000 + car

A rare opportunity to work with a well known City entrepreneur, gaining close involvement in a range of commercial ventures in the energy sector both in the U.K. and overseas. Initially responsible for the accounting functions of a small subsidiary you will rapidly assume a broader role within the group.

Candidates should be Chartered Accountants in the age range 28-40 and preferably have had some exposure to finance and Stock Market transactions. Personal qualities should include ambition and real commitment as well as the ability to work independently in an unstructured environment. The post offers directorship prospects where the candidate can contribute to development.

For full job description write in confidence to Mark Lockett at 78 Wigmore Street, London W1H 9DQ, showing clearly how you meet our client's requirements, quoting reference 9003/FT. Both men and women may apply.

**John Courtis
and Partners...**

Management Opportunity

Corporate Audit

Central Southern England c.£13,000+Co. car

Our client, a multi-national high technology corporation, is a world leader in telecommunication systems.

A large number of main frames and mini computers are used throughout the business and are fully accepted as an important tool of management. The internal audit unit, which is part of the corporate staff, has a wide ranging responsibility to the Executive Management Committee to report on the quality and suitability of business control systems.

Candidates who will probably, but not necessarily, be qualified accountants, should have at least 2 years' senior auditing experience in the profession or the internal unit of a major corporation.



**A&A
Consultants**
Management & Recruitment,
10 Little Portland Street,
London W1N 5DF.
Telex: 8956538.

In addition, candidates should be able to demonstrate successful line responsibility for an accounting department because this position is seen as an assignment prior to taking up a management appointment in one of the subsidiary companies. Salary is negotiable, there is an attractive re-location scheme where appropriate, and a large company benefit package.

In the first instance, contact Bruce Crummond on 01-631 4184 or write to:

**A & A Consultants Limited, International
Management & Recruitment,**
10 Little Portland Street,
London W1N 5DF.
Telex: 8956538.

PROJECT ACCOUNTANT

Large industrial group

London

c. £10,500

Our client is seeking a RECENTLY QUALIFIED Chartered Accountant to join its West End based international group accounts department. Responsibilities include numerous special investigations and reports on both internal matters such as capital expenditure reviews and external matters such as government assistance and inter-company comparisons. Occasional overseas secondments may arise and the position is one from which others have progressed to key posts within the group.

Applicants, unlikely to be more than two years qualified, should have had senior level exposure to major industrial group audits with a substantial international firm. A period in an investigations or similar department would be useful experience.

Brief personal and career details should be addressed, in confidence, to Douglas G. Mizon, quoting Ref. FT/242/M.



Ernst & Whinney Management Consultants
57 Chiswell Street, London EC1Y 4SY.

FINANCIAL CONTROLLER

Central London

to £17,000 + car

Our client is a £70m turnover subsidiary of a highly successful and well known U.K. group with challenging growth objectives.

In order to meet their requirements for increased business control and information they are creating a new position which demands a high calibre accountant whose track record is one of achievement including a minimum of two years spent in industry or commerce. Personal qualities will include a strong personality, the ability to motivate and control staff, and a flexible approach to ensure good communication and problem-solving skills.

There are excellent career opportunities for advancement and terms and conditions of employment are excellent. Applicants (28-35) should submit full career details quoting ref. 834 to Nigel Hopkins F.C.A. Michael Page Partnership, 31 Southampton Row, London WC1B 5HY.



Michael Page Partnership
Recruitment Consultants
London Birmingham Manchester

FINANCE CONTROLLER

AGE 30-40 SOUTH WEST LONDON UP TO £18,000+CAR

A Japanese company involved in the marketing of electronic equipment in the U.K. wishes to appoint a Finance Controller who will report to the local Managing Director and be responsible for the complete accounting function including:

- day-to-day running of the accounting function
- production of monthly and annual accounts
- preparation of annual plan and longer term forecasting
- operation and development of budgetary control systems
- cash flow
- costing
- responsibility for developing the data processing function

In addition, the appointee will have responsibility for general administration, including personnel, office management and despatch.

Candidates must be qualified accountants and have considerable industrial experience, preferably in a medium sized company. Computer and costing experience is necessary. The preferred age range is 30-40. Salary is negotiable up to £18,000+Car and there are other fringe benefits.

Please send a comprehensive career résumé, including salary history, quoting reference 2058 to W. L. Tait.

Touche Ross & Co, Management Consultants

Hill House, 1 Little New Street, London EC4A 3TR. Tel: 01-353 8011

A member of the Management Consultants Association

Polytechnic Management Accountant

(based at West Ham Precinct, Romford Road, E15)

The post of Management Accountant has been recently created and will replace the senior finance position within the polytechnic.

Applicants must be fully qualified and experienced accountants and must have a knowledge of the implementation, monitoring and maintenance of computer systems and unit cost analysis and formulation.

A knowledge of the financing of higher education in the public sector and experience gained in a polytechnic, college of higher education or local authority will be an advantage, but a background in the private sector is not desirable.

The post will carry a minimum salary of £13,173 (inclusive of London weighting, subject to review). A higher salary scale may be considered for a suitably qualified candidate. For further particulars of the post, the polytechnic and application form, please contact the Polytechnic Personnel Office, North East London Polytechnic, 400-406 Artizans Lane, 159/164 Chingford Heath, Romford, Essex, RM6 6LX. Tel: 01-590 7722, Ext. 3121 or 3125.

Quoting reference no. 5782. Closing date for receipt of applications: 2nd July.

NELP North East London Polytechnic

West End
Chartered Accountants
require
Principal - F.C.A.

age 25 to 40

Apply in writing with C.V. to Box No.
A7890, Financial Times, 10 Cannon
Street, London, EC4P 4BY.

FINANCIAL DIRECTOR (designate)

RETAIL DISTRIBUTION

West Yorkshire 5-figure salary + car etc. Our client operates a successful chain of retail stores throughout the North of England. The company is profitable and turnover is growing rapidly. They are now seeking an experienced executive to take charge of the finance and administrative functions.

Candidates should be qualified accountants with broad experience of financial management, preferably acquired within a retail or fast-moving consumer goods environment.

The position reports to the Chairman and carries a salary negotiable in five figures, a company car and other benefits. Above all, it offers an excellent opportunity to a person who can make a real contribution to the company's growth. For an early local interview please write or telephone Roger R. Daniels, Senior Consultant, Dunlop & Badenoch, Accountancy Recruitment Consultants, quoting ref. 8216217.

Dunlop & Badenoch

**Putting people
into business™**

400 Newgate Street, London EC1V 7DN
Telephone: 01-606 6771 Telex: 831212 DBL



ACCOUNTANCY

FINANCIAL CONTROLLER

£15,000+Car

This full charge role demands tight control as new systems and accounting methods are being developed. If you are a qualified accountant, aged 35-45, with good computer application and performance this challenging position offers real prospects for promotion to general management within an established UK group. Ref: VMD/2194A CENTRAL LONDON

EXCEPTIONAL £15,000+Car
A major UK company is seeking two exceptional, young Chartered Accountants. The company offers the chance to gain valuable experience via management development positions at Group HQ. Possessing a sound professional background with a 2:1 or above, suitable candidates will be graduates, aged 28-32, with at least 2 years' relevant experience. Career opportunities are nationwide. Ref: JG/2107A G. LONDON

FINANCIAL ANALYST £11,000+Car
Based in the treasury department of this multi-million group you will gain excellent commercial exposure at both HQ and divisional levels. Interpret financial reports, maintain cash flow, advise on company finance, liaise with executive, plan budgets. Non-qualified ACA's with good independent skills will find prospects excellent. Ref: SG/1048. WEST END

APPLICATIONS WILL BE TREATED IN THE STRICTEST CONFIDENTIALITY

LEE HOUSE, LONDON WALL, EC2 01-606 6771

ROBERT HALF

SEARCH & RECRUITMENT



مِنَ الْأَخْرَى

Accountancy Appointments

MANAGER CORPORATE DEVELOPMENT

East Midlands c. £16,000 + car + benefits

Our client is a market leader whose impressive record has been achieved by the successful worldwide marketing of its products and services. They seek an ambitious, confident and highly motivated Manager to control, co-ordinate and often to initiate, investigations and financial projects covering profitability and acquisition studies. The position requires close involvement at Board level.

Consequently, applicants (aged 30-35) must demonstrate exceptional interpersonal skills, a track record of significant achievement and the technical background and qualifications to ensure maximum effectiveness within tight deadlines.

The salary package is excellent and benefits include a company car, assistance with house purchase and generous relocation expenses.

Interested applicants should submit full career details quoting Ref. 833, to Nigel Hopkins, FCA, Michael Page Partnership, 31 Southampton Row, London, WC1B 5HY.



Michael Page Partnership
Recruitment Consultants
London Birmingham Manchester

FINANCIAL DIRECTOR

South Coast

£17,000 + car

A US subsidiary with a turnover of £12 million, our publishing industry client is forecasting exciting growth generated by acquisitions, new product technology, and market expansion. To assist in the growth and its control the company now needs to strengthen its management team.

Responsible for the full financial function, the Director will place particular emphasis on planning, investment appraisal and profitability analysis. Supervising and developing the accounting function, he or she will enhance systems and procedures, monitor treasury, and liaise with the US parent. The Financial Director will participate in and contribute towards all commercial decisions.

Aged 30-35, applicants should be qualified accountants and a breadth of both financial and commercial experience is required. Please write with a detailed career history, including salary progression and a day time telephone number, to David Hogg FCA, quoting reference I/2031.

EMA Management Personnel Ltd.
Halton House, 20/23 Holborn, London EC1N 2JD
01-242 7773 (24 hours)

Chief Accountant

West London

c. £18,000 + car

Atari are world leaders in advanced consumer electronics with their programmable video games and the new Atari 400 and Atari 800 home computers.

We have experienced an unparalleled growth rate world-wide and have recently established a new company to control the sales, marketing and distribution of Atari products in the UK. We now need a qualified Chief Accountant for Atari International (UK) Inc.

Reporting to the Financial Director, the Chief Accountant will be responsible for financial reporting, budgetary control and a management accounting service.

The successful applicant will be qualified, around 30 years old, used to a very fast-moving retail or service environment, capable of reporting to tight deadlines and be able to communicate clearly with both financial and non-financial people. Essential experience will include a thorough knowledge of computerised accounting methods whilst experience of installing a data based system would be an advantage.

This position will appeal to an enthusiastic self-starter who is capable of making a rapid contribution to the finance function. The salary will be c.£18,000 plus company car and an attractive range of fringe benefits.

If you are certain you match the specifications please send a detailed C.V. to: David Konrath, Atari International (UK) Inc., Windsor House, 185-195 Ealing Road, Alperton, Wembley, Middlesex.



DIVISIONAL ACCOUNTANT

£13,000

Age 25-30

City

The expanding financial services division of a major insurance broking group requires a young chartered accountant to head its accounts team. Reporting primarily to the Finance Director, he or she will become involved in general management, financial reporting and other duties.

Candidates should have a flair for systems and the personal qualities to enable them to contribute to a fast-moving, entrepreneurial organisation. Experience of computer operations and of the insurance industry is desirable. This is an opportunity for commercially-minded accountants wishing to leave the profession.

Please apply to Sir Timothy Hoare.

Career plan LIMITED PERSONNEL CONSULTANTS

MANAGEMENT ACCOUNTANT CENTRAL LONDON

This is an interesting new position at senior level with one of Britain's leading publishing companies. The post calls for an enthusiastic recently qualified accountant looking to develop his/her career in an stimulating environment.

The successful candidate will join a small divisional finance team working closely with publishing and marketing management in the development of selected key areas of the company's business both at home and overseas. He/she will be expected to make a significant contribution to the development of financial and management information systems with specific responsibilities for preparing and monitoring divisional performance.

An attractive salary package commensurate with experience will be provided.

Replies should be forwarded with C.V. to:

Box A7889, Financial Times, 10 Cannon Street, London EC4P 4BY

FINANCIAL CONTROLLER

Private group of companies with interests in finance and investment seeks qualified accountant to co-ordinate all aspects of financial controls and systems. Some travel involved.

Write stating experience, past and anticipated salary. Non-smoker.

Write Box A.7892
Financial Times
10 Cannon Street
EC4P 4BY

CHIEF ACCOUNTANT

c. £17,000 + Car

INSURANCE BROKER

Our Clients, a rapidly expanding firm of insurance brokers operating in the Lloyd's market, are seeking a qualified accountant to join a young and dynamic management team.

The successful applicant will control the day to day accounting function and be responsible for the installation of a computerised system.

For a candidate with initiative and ability there are excellent prospects for advancement to board status.

Write, in the first instance, with details of career to date, to Stuart Rochester,

Neville Russell
Chartered Accountants
30 Artillery Lane, London E1 7LT

FINANCIAL CONTROLLER

We are a small dynamic and expanding plc with financial and industrial interests who seek a qualified person keen to make a positive contribution within a slim dedicated HQ team.

Responsible to the Chairman and Chief Executive, the position calls for strong emphasis on finance/management accounting, cash flow and controls, and will include secretarial matters. Business experience is essential.

Applicants, ideally in their 30s, should be within three-quarters of an hour's travel of West End. Remuneration negotiable.

Apply with full details, in confidence, to:
Box A.7872, Financial Times
10 Cannon Street, London EC4P 4BY

FINANCIAL CONTROLLER

C.A. with computer experience, preferably ICL, to act as Financial Controller for a small progressive private group, based in Central London.

The appointment offers an attractive opportunity for someone with varied professional and commercial experience who seeks a board appointment in the near future.

Salary and benefits will reflect the importance of the position.

Please send cv to Box A7889, Financial Times
10 Cannon Street, London EC4P 4BY

Real Career Management Assures Real Success, Satisfaction and Reward

Executives/Professionals can realise career objectives

• secure relevant jobs • reduce real risks • realistic cost.

To discuss how, phone Peter Gardner Hill on 01-486 4027.

GHN Gardner Hill Needham Executive Counsel Ltd.
Royds House, Mandeville Place, London W1.
See Oxford Dictionary.

GENERAL APPOINTMENTS



SCOTTISH TSB CLEARING CENTRE CLEARING MANAGER

£13590-£17622

THE COMPANY: Trustee Savings Banks in Scotland with over 290 branch outlets and funds in excess of £1,000 million are setting up a Clearing Centre in Edinburgh to deal with all aspects of inter-Bank clearing.

THE POSITION: be responsible for the day to day running of the clearing operations including:

- IBM 3890 Reader Sorters.
- Centralised encoding of clearings.
- Credit Clearing.
- Collection; processing and distribution to a time critical schedule.

Initially the successful applicant will also contribute towards the setting up of the new centre and all internal systems and procedures.

APPLICANTS: Must have proven managerial experience. Extensive knowledge of bank clearing work is essential.

REWARDS: Starting salary, in an excellent progressive salary structure, will depend on experience and qualifications. In addition we offer an attractive range of fringe benefits including a mortgage subsidy scheme; company car and pension scheme.

APPLICATIONS: Stating full career details which will be treated in the strictest confidence to:

General Manager, Ref. FT

Trustee Savings Bank of South of Scotland,
Raeburn House, 32 York Place,
Edinburgh, EH1 3HU.

APPOINTMENTS ADVERTISING

Rate £20.00 per single column centimetre

Fielding, Newson-Smith & Co

Property Analyst

We wish to recruit an established property analyst currently working either in an investment institution or another broking house.

Our preference is for a senior analyst but we would also give favourable consideration to an analyst with less experience as long as this is clearly balanced by an ambition to become established amongst the leaders in the field.

Please respond to the Administrative Partner at Fielding, Newson-Smith & Co., 31 Gresham Street, London EC2V 7DX.

WANTED FOR INTERNATIONAL COMMODITY HOUSE LOCATED IN LONDON AREA

BROKER/TRADER

with experience in handling soft commodities to and from the Far East, and Sri Lanka in particular.

Commodities to be handled by successful candidates will be rice, maize, sugar, wheat, and other soft commodities such as tea, coffee, spices, coconut products, pulses, oilseeds, etc. Preference will be given to those who have proven record in handling government tenders for food items as well as selling/purchasing terms of private trade. Contracts at highest levels in public and private sectors will be added advantage.

Salary negotiable, excellent prospects for right candidate.

Please reply to Box A7889, Financial Times

10 Cannon Street, London EC4P 4BY

JOBS COLUMN

More managers escape from unemployment

BY MICHAEL DIXON

BUMPING along the ceiling would be one, I hope not over-optimistic, way of depicting unemployment among experienced managers and specialist staff in Britain. After falling by 1 per cent between February and April, the total of jobless higher-grade workers rose 3 per cent over the next month to a record 140,075 before edging down again by 0.3 per cent between May and the start of this month.

The table alongside is compiled from statistics provided by the Government-sponsored Professional and Executive Recruitment agency. The totals at the top are followed by corresponding figures for each of the 23 occupational groupings with more than about 1,000 experienced staff registered as unemployed. As well as these, the totals cover five minor categories which I have not included in the detailed listing.

Although the overall figure produced by PER's latest count is 23 per cent up on its counterpart for early June last year, only nine of the categories show increases since May whereas in 1981 all but one category did so.

The first two columns of numbers—referring to experienced staff newly registering as unemployed in May-June—indicate that a good many redundancies are still occurring. In a dozen of the groupings the latest uptake is higher than it was 12 months previously.

But as the next pair of columns show, the numbers

	Added to register (May to June '82)	Left register (May to June '81)	Total on register June '82	% change on May	Total on register June '81	% (change on May)
All higher-grade unemployed	12,564	(12,661)	13,014	(9,639)	139,625	(-0.3) (+2.7)
Electronic and electrical engineers	308	(194)	155	(135)	2,610	(+6.2) (+3.5)
Personnel staff	240	(193)	180	(173)	2,566	(+2.4) (0.67) (+1.0)
Other engineers and technologists	703	(653)	547	(442)	7,358	(+2.2) (6,073) (+3.6)
Accounting staff	502	(497)	406	(360)	4,756	(+2.1) (3,752) (+3.8)
Library, art gallery staff, etc.	652	(548)	534	(474)	6,774	(+1.2) (5,189) (+1.8)
Legal services	112	(96)	98	(92)	1,025	(+1.4) (865) (+0.5)
Town planners and architects	96	(101)	83	(81)	1,055	(+1.2) (795) (+2.6)
Chemists and physicists	192	(171)	167	(115)	2,233	(+1.1) (1,626) (+3.5)
Estimators, etc.	152	(171)	148	(110)	1,817	(+0.2) (1,634) (+4.4)
Estate agents	229	(201)	228	(91)	2,604	(+0.0) (2,020) (+5.8)
Data-processing staff	393	(348)	397	(248)	3,695	(+0.1) (2,757) (+3.8)
Draughtspeople	393	(399)	403	(309)	3,810	(+0.3) (3,508) (+2.6)
Departmental managers other than those in charge of production	2,442	(2,561)	2,588	(1,800)	27,425	(-0.5) (22,568) (+3.5)
Social and health services' staff	564	(552)	592	(487)	5,947	(+0.5) (4,137) (+1.6)
Sales and marketing	1,723	(1,719)	1,850	(1,389)	17,685	(+0.7) (15,566) (+2.2)
Purchasing staff	200	(244)	223	(169)	2,613	(+0.9) (2,335) (+4.2)
Production managers	552	(582)	631	(396)	6,572	(+1.2) (5,946) (+3.2)
General managers	244	(322)	268	(288)	2,871	(+1.5) (2,720) (+1.3)
Scientific and technical support staff	684	(788)	814	(524)	8,541	(+1.5) (7,018) (+3.9)
Biologists	26	(65)	105	(73)	987	(+1.9) (660) (-1.2)
Teachers	1,636	(1,738)	2,094	(1,469)	21,329	(+1.9) (16,096) (+1.7)
ORM staff and statisticians	122	(178)	162	(121)	1,894	(+2.0) (1,697) (+1.5)
Aircraft and ships' officers	106	(120)	139	(118)	1,443	(+2.2) (899) (+0.2)

leaving the unemployment register are higher in 22 cases and the same in the other one.

The number of production managers escaping from the dismal record was up by almost 60 per cent, and the number of sales and marketing staff by 33 per cent. We don't know what kinds of work the leavers have found, of course, but at least it looks as though the firmly rising trend of the past two years and more has been broken.

Sales abroad

DOWN in the West Country is a major British group's subsidiary which wants someone able to earn quick promotion to its Board by setting up an overseas marketing and sales operation for one of its fast-moving consumer products. The job is being offered through recruiter Bob Purvis who, like the other headhunters to be mentioned later, may not name

the employer and so will abide by any applicant's request not to be identified to the company concerned without specific permission.

The product in question already sells abroad. But the subsidiary's managing director—to whom the recruit will be responsible—now intends to expand overseas sales greatly by importing the expertise needed to institute a fully fledged marketing policy and

operation. The newcomer will start almost from scratch, assessing market prospects in different countries before establishing the necessary support services. There will be a good deal of travel.

Demonstrable success in developing profitable overseas markets for products of the same broad kind is needed. So finess in at least one of French, Spanish or German as well as English, and experience

Partnership Secretary

Thomson McLintock & Co is a major firm of chartered accountants and the British member of the KMG international accounting group. We require a partnership secretary to take charge of the administrative affairs of the firm's London office employing 750 people in a wide range of disciplines.

The role entails a close relationship with the firm's senior management, co-ordinating partnership decisions and managing all supporting services including the continued development of advanced office automation and communication systems.

The age range of 45-50 emphasises the need for an executive with a high degree of administrative skill coupled with the authority to work closely with senior management in a professional environment.

The remuneration is negotiable and will reflect fully the status and demands of the appointment.

Please write in confidence to FJF Hall [Ref: 2812F].

Thomson McLintock & Co 70 Finsbury Pavement London EC2A 1SX 

Director—Administrative Services £15,000—£20,000 plus car

This new appointment stems from the re-organisation of administrative services in the City office of one of the major international accounting practices. Accountability will be to a Senior Partner. There are two prime tasks: to provide imaginative leadership of the administrative support team, currently employing about 100, and to provide a secretariat service to the Management Committee. Firm evidence of success in a significant administrative management role, and thorough familiarity with modern office and related communications technology, are essential. Previous secretariat experience would be valued—as would a degree and/or a relevant professional qualification. Age probably 35 to 45.

Comprehensive benefits package, including relocation assistance. Please write—in confidence—to Colin Bexon ref. B.17345.

This appointment is open to men and women.

MSL Management Selection Limited

International Management Consultants
52 Grosvenor Gardens London SW1W 0AW

TAY & THAMES INVESTMENT SERVICES LIMITED INVESTMENT MANAGER—DUNDEE

Tay & Thames Investment Services Limited is an investment management company based in Dundee, whose present clients include a quoted Investment Trust, Off-shore Funds and Charities, as well as private individuals. It shares management with two quoted Investment Trusts also administered from Belize House.

The Company has now reached a size where further expansion will require an increase in the numbers of the present management, and is seeking an experienced Investment Manager who would be given overall charge of portfolio management and client liaison in association with the present team, and also special responsibility for promoting the continued growth of the Company.

The position offers scope for the person appointed to have a considerable guiding influence on the next phase of development of an already successful organisation.

TAY & THAMES INVESTMENT SERVICES LIMITED,
BELSIZE HOUSE, WEST FERRY, DUNDEE, DD5 1NF.

The Company is looking for someone probably in their 30's with a good record of investment management and considerable personalty.

Remuneration is negotiable depending on the experience and qualifications of the successful applicants, and will in future include an element based on achievement. The package will include membership of a generous non-contributory Pension Scheme, Disability Scheme and BUPA, and assistance will be given in meeting the costs of moving to the Tayside area. Applicants should write, giving all requisite details, to W. Donald Marr, C.A., who will be pleased to deal with informal initial enquiries by telephone at Dundee (0382) 78244. All applications will be treated in the strictest confidence.

Investment Director

London c. £35,000+p.a.

Trident Life is a leader in the unit linked life assurance industry and is part of a very successful £2bn insurance group. The Company has grown rapidly to £170m of funds under management and has ambitious plans for substantial future growth. These plans call for the new Investment Director to develop an in-house investment capability.

The new position will carry a Board appointment, taking full responsibility for all aspects of Stock Exchange and money market investments for Life, Pension and sister company general insurance funds. The major task is to produce competitive investment results for the wide range of U.K. and overseas equity and fixed interest funds.

The prime need is for a record of consistent success in investment management with ability to communicate effectively to professional advisers. Insurance experience helpful but not essential.

Age probably around 35-40. Salary indicator £35,000, plus results related bonus and car. Base London.

Write in complete confidence with concise C.V. to our adviser, Mr Alan Henderson, at Trident Life Assurance, 45 Clarges Street, Mayfair, London W1.

Trident Life

Unit Linked Management

The growth and performance of our Linked Life Funds since their launch in 1977 has been outstanding, and we have established ourselves as a major force in the market.

This success has come through well designed products, highly professional Fund Management and considerable marketing expertise.

In planning further growth we are creating opportunities in our Head Office and Area operations. If you have the experience and skills to make a significant contribution to this continued success, we should like to hear from you.

Our salary and benefits package will be attractive and you will benefit from the experience and opportunities which only a large Insurance Group such as Sun Alliance can really offer.

To discuss these opportunities in more detail, please telephone:

JOHN BISHOP on Horsham (0403) 64141, ext. 226

or

BRIAN BERGIN on 01-588 2345, ext. 1196

Alternatively, please send full c.v. to Barry Edwards, Personnel Manager, Sun Alliance

Linked Life, Sun Alliance House, North Street, Horsham, West Sussex RH12 1BT.

SUN ALLIANCE
LINKED LIFE

COMPANY SOLICITORS

required, with a minimum of 2 years' post qualification experience in issues, takeovers, acquisitions and other securities work.

Substantial salary for suitable applicants.

Please apply with full curriculum vitae to:
Patricia Birch Personnel Officer

CLIFFORD-TURNER

BLACKFRIARS HOUSE, 19 NEW BRIDGE STREET,
LONDON EC4V 6SY

Head of Section required for Liaison with Arab International Institutions

Excellent command of written Arabic is required.

Previous editorial and journalistic experience essential also experience of economic work with Arab League or Arab Chambers of Commerce movement. Salary negotiable.

Write Box A7894
Financial Times
10 Cannon Street, EC4P 4BY

We are the leading manufacturer for garage equipment on the Continent. Recently conducted market research clearly shows that our newly developed products will be well received by the British market.

We now require a

GENERAL MANAGER

who will be expected to establish our sales agency in the UK and to build up a distribution organisation. Wide experience and knowledge of the automotive sector is essential.

DEUTSCHE TECALIMIT, GMBH/W. GERMANY
P.O. BOX 12 01 28
4800 BIELEFELD 12

Granada Group

Business Development Executive c. £12,000+ car

Granada is a successful growing group of companies with a turnover in excess of £200m and employing over 12,000 people in television, television rental, book publishing, entertainment and music publishing.

In order to sustain our objective of diversification and expansion within the leisure industry, our Business Development Unit, based in London, is constantly examining fresh business opportunities. The Executive we now seek will be involved in all aspects of the Unit's work, which includes evaluating potential acquisitions, new ventures, market developments, and competitive activities, and assisting operating companies with their strategic planning.

Candidates must have proved themselves by running and developing the full range of personnel services and have special strengths in recruiting high-grade staff in Europe and preferably farther afield and in management-development of senior executives. If not already fluent in German, applicants must be willing to learn it fast by taking a crash course, no doubt at the employer's expense.

Salary around £25,000 with car among perks.

Inquiries to Brian Salter Associates, 1-3 The Broadway, London SW19 1PS. Telephone 01-947 8887, telex 28604 ref. 3013.

GRANADA



FOREIGN EXCHANGE DEALER

In order to complement the existing dealing room staff, we are seeking to recruit a senior foreign exchange dealer. The ideal candidate will have a minimum of three years' active dealing experience and will have traded in the spot and forward sterling markets.

This is an attractive opportunity to make a positive contribution to a professional dealing team and the position offers a competitive salary together with a full range of generous benefits.

Interested candidates should contact TOM KOLLINSKY, in strict confidence, at NORDIC BANK PLC, 20 St Dunstan's Hill, London EC3R 8HY. (Tel: 01-621 1111.)

NORDIC BANK PLC

We wish to reinforce our electrical coverage by recruiting an analyst with several years experience in either a broking house or an investment institution. He/she should be aged under or close to 30. This is an excellent opportunity and it stems from the move of the senior electrical analyst to a position of wider responsibility within the firm.

Please respond to the Administrative Partner at Fielding, Newson-Smith & Co., 31 Gresham Street, London EC2V 7

CJA**RECRUITMENT CONSULTANTS**35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

An important appointment—opportunity exists to become an Assistant Manager in 6-12 months and scope for further rapid promotion thereafter.

INVESTMENT MANAGEMENT EXECUTIVE—INTERNATIONAL FIXED INCOME SECURITIES

CITY

EXPANDING INTERNATIONAL MERCHANT BANK—SUBSTANTIAL U.S. FUNDS UNDER MANAGEMENT

We invite applications from candidates, probably in their late 20s, who have acquired 5 years' practical experience in the fixed income markets with at least 2 years in the management of client portfolios. As a member of the Investment Management Committee, the successful candidate will be involved in all aspects of portfolio management for the Bank's important institutional and individual clients, including direct client contact. Responsibilities will include maintaining continuous contact with the U.S. bond markets and other major international fixed income markets. The ability to identify and respond to investment opportunities is key to the success of this appointment. Attractive salary negotiable, + subsidised house mortgage facility, non-contributory pension, free life assurance, free medical cover, assistance with removal expenses if necessary. Applications in strict confidence under reference IME 4107/FT, to the Managing Director.

A key position—scope to become an Assistant Manager in 6 months—opportunity to reach position of full Manager in 2-4 years

CJA

EXECUTIVE—NEW ISSUES SECURITIES MARKET

CITY

MAJOR INTERNATIONAL MERCHANT BANK—ASSETS IN EXCESS OF £1 BILLION

Applications are invited from candidates aged 24-28, who have acquired a minimum of three years practical investment banking experience which specific knowledge of Eurobond or floating rate note issues; and who are currently working in the new issues/marketable securities division of an investment or merchant bank. The successful candidate will be responsible to Head of new issues for assisting in the development of the business and efficient execution of the activities in F.R.N. issues in the primary securities market, involving interface with market institutions and assisting in deal structure, bringing it to fruition, seeing it underwritten and managed. The qualities of adaptability and enthusiasm, plus the capacity to contribute significantly to the Bank's investment division are important. Initial salary negotiable £14,000-£18,500 + subsidised house mortgage facility, non-contributory pension, free life assurance, free medical cover, assistance with removal expenses if necessary. Applications in strict confidence under reference ENI 4106/FT, to the Managing Director.

CAMPBELL-JOHNSON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED
35 NEW BROAD STREET, LONDON EC2M 1NH. TEL: 01-588 3588 or 01-588 3576. TELEX: 887374.

* Unless you are applying for one of the above positions, please do not write to us.

BARCLAYS BANK PLC

Barclays Bank have recently expanded their Video Communications Network and now seek Personnel for three specialist positions for its In-House Production Unit at Teddington.

PRODUCER/DIRECTOR

The successful applicant will have proven production record (show reel an advantage) and be capable of taking a production through from treatment to editing stages.

SENIOR VIDEO ENGINEER

The Senior Video Engineer will have overall engineering responsibility for the operation and maintenance of the Banks Broadcast Standard video equipment. This includes 3 x Ikegami HL7/7 and 1 x HL79D cameras.

5 x Main machine and 2 x Portable, Marconi MR2B 1" Video Tape recorders.
Datavon S15 Editing/Post Production switcher.
Plus ancillary Equipment.

The successful applicant will have a proven engineering ability in a broadcast or facility house environment.

VIDEO ENGINEER

A Video Engineer is required to assist the Senior Video Engineer in the operation and maintenance of the Banks Broadcast Standard Video Equipment as above.

The successful applicant will have a proven engineering ability in a broadcast or facility house environment.

Please send career details and salary history to:
L.A.D. Winter, Esq., Barclays Bank PLC,
Group Public Relations Department,
(Video Communication)
Park House, Station Road, Teddington, Middlesex TW11 8AD
Tel. No. 08-943 2431.

 BARCLAYS

Mike Pope & Associates

Bank Recruitment Consultants
Senior Lending Executives £25,000+
Chief Dealers £25,000
Dealers £20,000
Experienced Money Brokers £ neg
Credit Analyst £ neg
(two German)
Credit Analyst £ neg
Loans Admin Clerks £10,000
Accounts Clerks £10,000
Reconciliations Clerks £9,000

Contact:
David Patten or Miles Pope
1/2 Gracechurch Street
London, EC3 Tel: 01-622 5197

£25,000 P.A. PLUS

Leading firm of toy and giftware importers requires a new Managing Director.

Must be experienced, a natural merchandiser, efficient organiser, understand buying and selling, control of staff and expenditure. Able to negotiate at highest levels, and tie up parcels! Should be an efficient delegator and have ability to inspire sales personnel to generate business. Applicants need total dedication and integrity. Must have a record of long job stability.

Aged 35 to 50. Salary £25,000 p.a., plus car, generous pension scheme and BUPA etc.

Applications will be treated in strictest confidence and can only be considered if accompanied by age, fully detailed previous experiences, earnings, and all other relevant information.

Please reply to Box A7897, Financial Times, 10 Cannon Street, London, EC4P 4BY

HONG KONG SHARES SALES

Sun Hung Kai Securities (UK) Ltd. are looking for a Hong Kong shares sales executive.

Candidate should have at least two years international experience and previous exposure to the Far East Markets is preferred.

An initial compensation package of up to £25,000 will be paid according to experience and ability.

Please reply in the first instance to:

 Executive Director
SUN HUNG KAI SECURITIES (UK) LTD.
13 Sherborne Lane
London EC1N 7SL

MARKETING EXECUTIVE

£10,000 neg.

This leading Merchant Bank is currently seeking a self-motivated executive to join their UK corporate lending team.

The ideal candidate will be a graduate in their late 20s with a minimum of three years lending experience, preferably at senior management level. Benefits include company car, mortgage and four weeks holiday.

For further details please call
Mike Blundell Jones
on 01-439 4381

U.S. INVESTMENT ADVISER

If you are an individual or independent organisation with your own U.S. equity clients and you simply require competitive clearing facilities and private space in a non-member's office in the City, please contact
Box A7888, Financial Times
10 Cannon Street, EC4P 4BY

Institutional Sales and Research (U.K. Equities)

Vickers da Costa (Holdings) plc was established in 1981 to take over, with the assistance of a number of major UK financial institutions, the business of Vickers da Costa Ltd. The Report and Accounts for the year to August 1981 showed net assets of £5.8 million; these were acquired by the new group which, as a result, has a secure financial base with which to face the competitive pressures of the 1980's.

Vickers da Costa's major area of specialisation in the 1960's and 1970's was the Far East and this has produced significant benefits in recent years. The Company now has a particularly high reputation for research in these areas and progress continues.

More recently we have established a position in the UK institutional market which in a number of sectors has made good progress in terms of both market share and profitability. Our aim is to expand the size of this operation significantly and we would be very interested to hear from analysts and salespeople who feel they could perform effectively in this environment. Remuneration will be suitably competitive.

Please contact:

P. G. R. Lyon, Director (UK Research),
Vickers da Costa Ltd., Regis House,
King William Street, London EC4R 9AR.
Telephone: 01-623 2494

Vickers da Costa

Vickers da Costa Ltd.

Regis House
King William Street
London EC4R 9AR
and The Stock Exchange
Telephone: 01-623 2494
Telex: 580046 688360

Vickers da Costa & Co
Hong Kong Ltd.

230-280 New World Tower
16-18 Queen's Road Central
PO. Box 590 Hong Kong
Telephone: 5-251561
Telex: HK 74202

Vickers da Costa Ltd
Tokyo Branch Office

Tokyo Tatemono Daisan
Yess Building 5th Floor
9-9 Hatchobori 1-chome
Chuo-ku, Tokyo 101
Telephone: 353-3211
Telex: 252-3706

Vickers da Costa
Securities Inc.

61 Broadway
New York, NY 10006
Telephone: (212) 742-9600
Telex: 649384

Vickers da Costa Ltd
Securities Pte. Ltd.

Sofit 602
Singapore Rubber House
14 Collyer Quay
Singapore 0104
Telephone: 2245013
Telex: RS 20776

Vickers da Costa Ltd
Philippines Representative
Office

Room 219, Makati
Stock Exchange Building
Makati, Rizal
Philippines
Telephone: 89-50-61
Telex: EN 3635

Vickers da Costa Ltd
Members of The Stock Exchange, London

Vickers da Costa Hong Kong Securities Co.
Members of the Hong Kong and
Far East Stock Exchanges

Graduate Opportunity in Investment

around £7250

Sun Alliance is one of the country's largest insurance groups with funds of around £2000 million. An attractive career opportunity is immediately available for a recent or new graduate to train as an Investment Analyst within our small, highly-professional investment team with good prospects of moving on to investment management. Training will cover all aspects of the investment function including stock market operations, company financial analysis and, in due course, will involve meeting stockbrokers and industrialists.

The successful candidate will be aged not more than 23, will have graduated recently in Economics, Business Studies or Law and may already be employed in the investment field or alternatively seeking to change career paths.

Starting salary will be around £7250 with valuable fringe benefits.

Please write or telephone for more information and an application form to: Jane Wright, Recruitment Adviser, Sun Alliance Insurance Group, 1 Bartholomew Lane, London EC2N 2AB. Tel: 01-588 2345, ext. 1222.

 SUN ALLIANCE
INSURANCE GROUP

APPOINTMENTS ADVERTISING

Appears every Thursday

NEW APPOINTMENTS

£15,000 - £50,000 p.a.

Connaught are the leading specialists in assisting executives to find their next top job. Only Connaught offers a success-related fee structure. Contact us for a confidential assessment meeting.

Connaught Executive Management Services Ltd

73 Grosvenor Street, London W1. 01-493 8504

BANKING APPOINTMENTS

LEASING MARKETING MANAGER

An international merchant bank seeks a first class graduate banker, with experience of structuring and negotiating, the more complex project related big ticket leasing transactions. This senior marketing position is viewed as having boardroom potential. Age 30-35. Salary to £20,000.

Please contact: Diana Warner

ACA/LEASING

Two interesting positions have arisen in Surrey and London, with bank's leasing subsidiaries. Responsibilities will include statutory, financial and management accounting, and tax related matters. Excellent career opportunities exist in both positions. Age 30-35. Salary £13,000 plus Car.

Please contact: Diana Warner

Jonathan Wren
170 Bishopsgate - London EC2M 4LX - 01 623 1266

CORPORATE FINANCE

A leading Merchant Bank requires a corporate finance executive with international banking experience to join a small team developing business both internationally and domestically, particularly in the fixed interest capital raising sphere. Responsibilities will include the preparation of new products, in particular the creation of new off-shore funds.

Please contact: John Webster

ACCOUNTS (INTERNATIONAL BANKING)

As a result of continued expansion a new position has been created with an established international bank in the City. The position will be as assistant to the accountant, responsible for a small accounts department. The successful candidate will have previous experience of bank accounting in a computer environment, and have knowledge of Bank of England, Head Office and VAT returns, budgets, management reports and statistics etc. Age 25-35. Salary £9,000.

Please contact: David Little

International Correspondent Banker—Nordic Countries

A large U.S. Bank seeks a London-based officer to be responsible for its correspondent banking business in the Nordic countries. The person sought will have a minimum of 3-4 years relevant experience with a major international financial institution, thorough knowledge of the sophisticated cash management products currently offered to banks and potential to assume increased responsibility. Knowledge of relevant foreign languages would be an added advantage. A highly competitive remuneration package will be offered.

Apply in confidence to Box A7896, Financial Times, 10 Cannon Street, London EC4P 4BY.

Anyone with a few years experience of retail banking probably also has a few years experience of computer systems.

The more you think about it, the more logical it seems. Most clerical and admin. procedures in banking are computer-based. And anyone who has worked in a bank's front office will have seen how those systems actually perform in real life.

Their view will be the real one - not the more theoretical perspective of the salesman who has little practical experience of working with the systems he so enthusiastically recommends.

And our client has found that young men and women with first-hand, grass-roots experience of banking systems can and do make excellent sales people.

If you're an MIB with a few years experience of the kind we've described, your own future career could be further proof that our client's unusual approach to selling computer systems is a highly effective one.

You'd negotiate on behalf of our client with senior management in banks and other financial institutions.

Your banking background, and your obvious knowledge of your subject would enhance your credibility, and open the doors for you.

So would the fact that you're from a leading computer manufacturer in the banking sector, whose

How a 25 year old banker can out-maneuvre a 40 year old computer account manager

products include everything a bank could need (including a range of no less than 17 document handlers).

We realise that we're talking about a radical shift of direction in your career.

But we're also talking about a career that can offer you more than comparable financial rewards, with a company where promotion doesn't mean waiting your turn in the queue.

As you'd expect, the biggest requirement for people with your background is in London, but there are also opportunities in the North, Midlands and South of England.

If you'd like to know more, write with full but succinct career and personal details to our Selection Consultants, AK Selection, 20 Soho Square, London W1A 1DS quoting ref.B/FT/01.

U.S. INVESTMENT ADVISER

If you are an individual or independent organisation with your own U.S. equity clients and you simply require competitive clearing facilities and private space in a non-member's office in the City, please contact

Box A.7888
Financial Times
10 Cannon Street
EC4P 4BY

FOREX APPOINTMENTS

For Forex/LIFFE/Money Market appointments at all levels discuss your needs, at no cost, with a specialist

TERENCE STEPHENSON
13/14 Little Britain
London EC1A 7BX
Tel: 01-606 8834
20 years market experience

APPOINTMENTS WANTED

GRADUATE MAN
27, currently employed by large
Norwegian company with 5 years
years' foreign exchange experience
(corporate as well as interbank)
seeks position in London. Would
require work permit.

Please write Box A.7888
Financial Times
10 Cannon Street, EC4P 4BY

Bank Recruitment Specialists

COMMODITY FINANCE c. £16,000

An old-established European bank, shortly to merge with another, is seeking a Commodity Manager or Senior International Lending Officer whose background should include a sound knowledge of commodity financing.

LEASING c. £15,000+

Our clients include specialist leasing companies and banks. Currently, we seek applications from marketing executives aged under 35, with either the "ticket" or equipment finance experience. An ideal candidate would have a desire for a person with general lease administration experience to obtain broader exposure to both the administrative and marketing aspects of leasing. Remuneration will be negotiable according to experience.

CREDIT ANALYST to £12,000

An exciting career opportunity at a major American commercial bank. We should like to hear from candidates with up to 2 years credit analysis experience, particularly those with essential training in lending U.S. bank credit training.

BRANCH MANAGER c. £12,000

Required for the prestigious West End Branch of a City-based international bank. The successful candidate, aged about 30, would require a sound knowledge of both retail and corporate banking (including documentary credit) with flair for business development. Knowledge of Middle Eastern and Asian markets advantages.

Please contact Leslie Squires

Telephone: 01-248 7421 or 01-248 8876.

Anderson, Squires, Bank Recruitment Specialists
Regina House, 1-5 Queen Street, London EC4N 1FP

V/X DEALER c. £16,000

To the right is a brief outline of the forthcoming position of a recruitment consultant branch manager. The position entails effectively setting up an ambitious all-round dealer skilled in three currencies, arithmetic and spot/forward rates.

FUND MANAGER c. £24,000

Opportunity for an ambitious young Investment Manager to take responsibility for overseas accounts to rapidly expanding City-based investment management company with approximately 2 years' relevant experience in investment, specifically including knowledge of the U.S. or Pacific Basin.

INVESTMENT — based MIDDLE EAST c. £24,000

A mature, highly-experienced and market-oriented Investment Analyst and MIB is sought for a Gulf-based investment managing subsidiary to a major international company with established and diversified interests, with additional treasury management involvement. High financial rewards are offered in addition to the normal expatriate fringe benefits.

Please contact Ken Anderson

Telephone: 01-248 7421 or 01-248 8876.

Anderson, Squires

SELIGMANN, RAYNER & CO.

Members of The Stock Exchange

We are a small, international firm operating in London and Wall Street with a specialisation in options.

We are interested in talking to people who share our belief that there is a profitable and enjoyable future for the small, internationally diversified firm.

Please phone me, Robert Harris, on my direct line—01-638 6833.

SELIGMANN, HARRIS & CO., INC.

Members New York Stock Exchange, Inc.

Managed Pension Fund Sales

£20,000 basic salary

Substantial bonus opportunities. Subsidised mortgage. Car and other benefits

THE JOB: Selling Managed Pension Funds and Group business on a very senior level.

THE PERSON: You should be between 35 and 50; a self-starter with an extensive range of top business contacts.

THE BACKGROUND: You should have had a highly successful career with a national financial institution. You will be able to demonstrate your ability to introduce, develop and hold new business.

THE MOTIVATION: The basic remuneration of £20,000 is negotiable (depending on your record and experience) and could well be doubled by bonuses based on sales.

Naturally, you need to be highly motivated; someone who can personally exploit opportunities to sell pension schemes on a grand scale. Above all, you should be confident and at ease when talking to senior management about administration and investment of pension funds.

THE PERSON TO CONTACT: Please write fully and in complete confidence to:

Mr M H S Payne, Assistant General Manager, (Marketing) Friends' Provident Life Office, Fixham End, Dorking, Surrey RH4 1QA

Friends' Provident

MERCHANT BANKING

FIRST CHICAGO LIMITED, the London Merchant Banking arm of THE FIRST NATIONAL BANK OF CHICAGO is expanding its activities and is seeking to fill two newly created positions.

Ideally applicants will have relevant experience in a major international bank (preferably a merchant bank), a relevant degree and post-graduate or professional qualifications.

BUSINESS DEVELOPMENT EXECUTIVE

To develop merchant banking activities in the Iberian Peninsula, in addition to maintaining existing client relationships.

Ideally applicants should be aged between 26-32 and have a minimum of four to five years' experience.

Suitably qualified applicants must be fluent in Spanish. Knowledge of other European languages would be an advantage.

The successful candidates will command an attractive salary and benefit package commensurate with qualifications and relevant experience.

Written applications incorporating a curriculum vitae should be addressed to:

FIRST CHICAGO
LIMITED

Mary E. Farter,
Recruitment Administrator,
First Chicago Limited,
1 Royal Exchange Buildings, Cornhill, London EC3P 3DR.

BUE

BANQUE DE L'UNION EUROPEENNE

We are a MAJOR FRENCH BANK

we are looking for

TWO FINANCIAL SPECIALISTS

for our Finance division based in Paris.

One will be familiar with Bourse operations and advising institutional investors. The successful candidate will have some prior experience and a degree in law, economics, business, or a related field. Complete fluency in French is a must; Some German would be appreciated.

The other will be specialized in bonds, and the successful candidate will also have relevant experience in this area.

Fluency in French and good English are desirable; actuarial training would be appreciated.

Please send a detailed handwritten career résumé with photo and salary requirements to:

BANQUE DE L'UNION EUROPEENNE

Recrutement Cadres 4, rue Gallieni

B.P. 89 75060 PARIS Cedex 02.

Nikko offers
career opportunities for
experienced personnel in
Bond Sales, Dealings and Syndication.

Nikko Securities, one of the largest Securities Companies in Japan, is now seeking qualified staff with specialised experience in one of the following areas for its London office.

- Bond Salesmen
- Bond Dealers
- Syndication staff

Preferable age 22-28 years, having the desired experience and motivation.

A competitive salary is offered.

Please send full particulars to: Personnel Manager, The Nikko Securities Co. (Europe) Ltd., Nikko House, 17, Godliman Street, London EC4V 5BD.

NIKKO
THE NIKKO SECURITIES CO. (EUROPE) LTD.

Junior Assistant to the Group Treasurer

The Costain Group is a major international contracting group operating in the U.K. and overseas. A vacancy now exists in our Treasury Department for an additional Assistant to the Group Treasurer. This post primarily involves monitoring the group's daily U.K. cash requirements and investing surplus funds in the London money market, together with the payment of all overseas creditors. Candidates, aged around 23, should ideally be bank trained and must possess a sound knowledge of documentary letters of credit and other methods of foreign payments. This is a challenging role that will appeal to a person who is determined to succeed within a stimulating environment. A realistic salary, reflecting age and experience, will be paid to the successful candidate together with an excellent fringe benefit package.

Please write with full career details or telephone for an application form to:

Mr M. Clarke, Personnel Manager,
Richard Costain Limited
111 Westminster Bridge Road, London, SE1 7UE.
Telephone: 01-928 4977 Extn. 289.

COSTAIN

CHIEF DEALER

Leading Middle Eastern bank seeks the services of a Chief Dealer for its London branch.

The successful applicant shall have had at least 10 years experience in an active foreign exchange and money market environment. Preference will be given to applicants having previous dealing room management experience. Salary and benefits, including company car, will be fully commensurate with the current market conditions.

Please supply in writing providing full career details to:

Box A7895, Financial Times, 10 Cannon Street, London EC4P 4BY.

THE OPEN UNIVERSITY Centre for Continuing Education

DIRECTOR OF MANAGEMENT EDUCATION PROGRAMME

Applications for this new post at professorial level are invited from suitably qualified persons with substantial management experience in industry, commerce or the public sector. The appointment, which is for seven years in the first instance, offers the opportunity to develop a substantial programme of management education for a wide audience through distance learning.

The new Director will be expected to provide the intellectual and professional leadership to those involved in creating appropriate courses. Salary will be within the normal UGC approved professorial range, plus US benefits.

Further particulars are available from the Secretary (A7895/2), The Open University, Walton Hall, Milton Keynes MK7 6AA or by telephone (0908) 653710; there is a 24 hour answering service on 653888.

Closing date for applications
30th July 1982.

Trust Company - Caribbean

Developing offshore trust company operating as part of an important international merchant banking group, requires

Managing Director

The successful candidate will be a seasoned executive with at least 10 years of experience in positions of responsibility acquired in several different jurisdictions.

He must be thoroughly familiar with the concepts and practice of international fiduciary, administrative and trust services in all of their ramifications: legal, tax, accounting and financial. He must be skilled in running the company efficiently but also have a pronounced taste for business development and innovation.

Please reply with curriculum vitae to: FN Hoogewerf, FCA, Hoogewerf & Co., Chartered Accountants, P.O. Box 1632, 1016 Luxembourg

Replies are forwarded to our client; please indicate in covering letter companies in which you are not interested.

HAVE CONTACT

The successful applicant shall have had at least 10 years experience in an active foreign exchange and money market environment. Preference will be given to applicants having previous dealing room management experience. Salary and benefits, including company car, will be fully commensurate with the current market conditions.

Please supply in writing providing full career details to:

Box A7895, Financial Times, 10 Cannon Street, London EC4P 4BY.

International Appointments

CHIEF F/X DEALER

Kuwait

to £30,000 + tax free

Our Client, a leading participant in the international currency markets, seeks a senior dealer to take responsibility for the day to day control of its sophisticated and substantial foreign exchange dealing operations. Candidates, probably in the age range 29-34, will possess a minimum of 5 years' active exchange dealing experience in a major international bank. Strong leadership qualities are regarded as important, and flair and initiative are equally essential.

This significant opportunity is offered on the basis of an initial 2 year contract, and the successful applicant can look forward to substantial earnings in addition to the usual expatriate benefits, including free accommodation, car, bonus etc.

Contact Norman Philpot in confidence
on 01-248 3812

NPA Middle East Recruitment

60 Cheapside London EC2 Telephone 01-248 3812 3 4 5

MERCHANT BANKING

Baring Brothers & Co., Limited CORPORATE FINANCE

Barings are seeking one or two executives to join the bank's corporate finance team which operates principally in our London office, but also in the bank's own offices in New York, Hong Kong and Singapore and in affiliated companies in Australia, Malaysia and Nigeria.

The successful applicants will probably be graduates, aged between 24 and 28, with a professional qualification in accountancy or law or with a business school degree. Experience in corporate finance work in the City would be an advantage.

Applications, enclosing a curriculum vitae, should be sent in confidence to:

Francis Carnwath, Director
Baring Brothers & Co., Limited
8 Bishopsgate
London EC2N 4AE

INTERNATIONAL APPOINTMENTS

APPEAR EVERY THURSDAY

Rate £29.00 Per Single Column Centimetre

EMPLOYMENT CONDITIONS ABROAD LIMITED

An International Association of Employers providing confidential information to its members organisations, not individuals, relating to employment of expatriates and nationals worldwide.

01-637 7604

Corporate Finance Hong Kong

BA Asia is the wholly-owned merchant banking subsidiary of Bank of America in Hong Kong and is strongly positioned in syndicated loans, project finance and securities origination, sales and trading. A further expansion of staff is required due to the growth in size and sophistication of the Asian market. Applications are invited from experienced professionals for the position of Manager — Corporate Finance.

Applicants, preferably graduates, should have a minimum of 3 years experience in corporate finance with particular emphasis on mergers and acquisitions and a successful record of initiating and helping to conclude transactions. A knowledge of law, accounting and stock exchange requirements would be an advantage.

Career development opportunities are excellent in the Bank's investment banking operations, both in Asia and elsewhere. An attractive remuneration package will include full expatriate benefits.

Please write with personal, career and salary details to Ian M. Milne, Director, Bank of America International Limited, St. Helen's, 1 Undershaft, London, EC2A 8HN.

BANK OF AMERICA

AAC

ASSISTANT INTERNAL AUDIT MANAGER (COMPUTERS)

REMUNERATION PACKAGE CIRCA £19 000 P.A.
PLUS CAR

An exciting opportunity to assist in developing the Division's Computer Audit capabilities

Anglo American Corporation is a Mining, Industrial and Commercial Finance organisation with worldwide interests. The Gold and Uranium Division employs 155 000 people and produces some 25% of the world's gold. The Division seeks to appoint a Chartered Accountant aged between 25 and 35 who has at least two years intensive computer auditing experience. Applicants with a relevant qualification or degree who consider their background and profile to be suitable for this position would also receive consideration.

The Internal Audit Function is regarded as an important management tool, set up as an independent appraisal activity with the main thrust in the field of computer auditing. The Division has one of the most advanced computer centres in the country with an IBM 3081 and 3033 running under MVS (OSVS2) and IMS DB/DC linked to a network of 500 terminals. Major systems have been developed in the personnel, production control, material supply and financial areas, some of them being "on line". The person appointed will be part of a small team involved in ensuring the integrity of all operational computerised systems and in reviewing the development and design of new systems. The position offered is based in Orkney in

the Western Transvaal — a pleasant medium sized town, situated on the banks of the Vaal River, offering all the usual amenities. Recreational and sporting facilities are exceptional and are heavily subsidised. The package includes a cost subsidised house and excellent leave benefits. In addition there are Medical, Pension and Life Assurance schemes. Relocation expenses and a settling-in allowance will be paid and an interest free furniture loan will be granted. Interested applicants should write, giving full personal and career details, and quoting reference SFT/36/82 to Mr. S.A.A. Bryant, ACIS International Appointments Limited, 40 Holborn Viaduct, London EC1P 4JL.

ABOUT SOUTH AFRICA

Our climate lends itself to outdoor life and all sporting facilities are readily available. Our income tax rates are lower, VAT is only 5 per cent and the cost of living is lower than in the UK. Our schooling is of a high standard and we have good medical facilities. South Africa has many attractions — we hope that you will want to share these with us.

Gold and Uranium Division
Anglo American Corporation
OF SOUTH AFRICA LIMITED

TRAINING MANAGER

FOR JOS INTERNATIONAL BREWERIES LTD., Jos, Plateau State, Nigeria.

On behalf of the above client, with whom we are associated, we invite applications for the position as Training Manager.

The Training Manager will be responsible for all activities in connection with the training and education of the brewery's professional and skilled personnel.

Candidates must have industrial and training experience and must be completely conversant with administration and organization work. Experience from a similar position and from employment or business in a developing country will of course be advantageous.

In addition to a very interesting job in a well organized modern brewery, we offer an attractive salary, a free fully furnished house and other substantial benefits — including a two months' paid leave each year.

Employment can start immediately or later as per agreement. Application in writing, giving full details, to:

CEREKEM
Danish food technologists Ltd.
56 Klostergade
DK-8000 Aarhus C - Denmark

Jos International Breweries are located in the Plateau State of Northern Nigeria — an area with a pleasant climate and good school facilities. The brewery is operating on the basis of Danish know-how and is under Danish management. It is completely modern and is constantly developing and expanding. Presently the brewery employs more than 1,000 people and produces more than 800,000 hl lager beer per year.

An Important Belgian association with international connections, a leader in its field, seeks a high level Financial Manager

This position calls for a top calibre person, aged about 40, with a thorough grip on modern financial management, gained through experience in banking or finance.

Responsibilities will include assisting management in policy-making on a national and international scale, plus the implementation and control of operations. Fluency in French and English is indispensable. The use of Dutch is asset.

Salary is commensurate with the importance of the position. The environment is stable, future-oriented and prosperous.

Candidates are invited to send complete background material, along with a handwritten letter, to the address below.

All applications will be treated with strictest confidence.

A. Adler, Rue Copernic 20—1180 Brussels, Belgium

SALES CO-ORDINATOR

Brazilian trading company seeking experienced person in shoe trade and line building (men, ladies, children) to merchandise shoes in Europe. The candidate will have to merchandise the shoe collections throughout Europe with priority for setting up local agents or representatives controlling the operation from London under Brazilian supervision.

Please write in confidence, enclosing a curriculum vitae, to:

The General Manager, Interbras

Petrobras Comercio Internacional S.A.

13th Floor, International Press Centre

76 Shoe Lane, London EC4 3JB

International auditors

Worldwide Travel

Paris base

An American industrial and consumer goods group with sales in excess of \$ 5 billion maintains a Paris-based operational audit department covering worldwide activities outside North America.

Opportunities exist in this multi-lingual department for candidates possessing:

- experience with a major international audit firm
- fluency in English plus at least one other European language
- complete freedom for travel

The position, which has an excellent salary, offers first class experience and long-term prospects with a multinational group.

Please send a career summary and details of current salary under reference 8745 to Organisation & Publicité, 2 rue Marengo, 75001 Paris - FRANCE.

Legal Counsel

Wang Laboratories, Inc. seeks in-house legal counsel for their European support headquarters near London. With over a billion dollars in revenues, Wang ranks 341st among the Fortune 500 and is the recognized leader in the office automation computer market.

In this newly created position, the successful candidate will furnish legal advice to headquarters staff, including finance and administration, sales, marketing, personnel and customer engineering. Candidates must be fluent in English, possess a minimum of 5 years' experience in the representation of U.S. clients, and demonstrate superior academic credentials. Your background must include exposure to varied multinational legal matters and the high technology industry.

Send English language resume only to Office of General Counsel, M/S 13B3F, Wang Laboratories, Inc., One Industrial Avenue, Lowell, Massachusetts 01851, U.S.A.

WANG

The Office Automation Computer Company

THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

A high risk dig at Japanese competition

Christian Tyler reports on a French rescue of a British challenger in the mini-excavator market

IAN BERESFORD is a British entrepreneur who risked everything in order to take on a product made nowhere in the world outside Japan.

He did what the Japanese used to do. He took a product, stripped it down and redesigned it to a somewhat higher specification. He told himself that if there was a market for the Japanese product in Britain, then there was certainly a market for a British version—providing the price could be kept in line.

Whether this British challenger will be able to hold its own against the engineering resources and market place strategies of its much larger competitors remains to be seen; the project is now in the hands of the UK marketing subsidiary of an aggressive French company which rescued Beresford's infant and is about to re-present it to the public.

The product in question is a miniature digging machine on caterpillar tracks, about 10 feet long and weighing three and a half tons.

The Japanese have been selling these mini-excavators, originally derived from rice-harvesters, in the UK for nearly five years. But no one thought of replicating the idea until Beresford, a Midlands plant hire operator for 30 years, got what he calls "a feeling" that he was looking at a commercial winner.

When Beresford embarked on his odyssey, only about 30 mini-excavators (of various weights and sizes) had been sold in Torque-Tension in Derbyshire.

Britain. In 1980, there were 69 sold and last year about 200. The total machine population is today 400 to 500. According to the enthusiasts' market is ten times that figure.

Beresford's story starts when the Birmingham planning authorities instructed him to put a fence round the small industrial site he had bought for his dump-truck hire business under the motorway viaduct at Castle Bromwich.

A friend lent him a Japanese mini-excavator. "We had this machine here, you see, and I thought it would take a week to do the work. We finished it in two days. I said to myself, 'These aren't toys: they're real pieces of equipment. I reckon there's something in this.' But at that time I had no thought whatsoever of building my own machine."

Signed up

Months later, after looking at some brochures, Beresford decided he would try to become a dealer for the machine he liked best. A telex to Tokyo told him that a sales manager was at that moment visiting London. He dashed down the motorway, sat in a hotel lobby while the Japanese salesman was doing his last-minute shopping and offered to drive him out to the airport. He learned that there was already a dealer signed up. He tracked the dealer down; it was a mining machinery company which intervened, some of them caused by the use of large,

machine for a year and hadn't made a sale. But there was a lot of interest. I said: 'Why don't we make one jointly?' They hummed and hawed but eventually said they were prepared to have a go. But they wanted so much up front—the figures were astronomical.

"In 1981, I bought their machine and brought it back here. We stripped it down to the last nut and bolt to see what was inside.

Beresford then approached friends at Warstock Engineering in Redditch who were short of work and got them to design an excavator using British components. He set Warstock a production cost that it could not exceed, in order to keep the machine price-competitive with the best of the Japanese imports in that size. The result was the B15-X, the prototype of which was wheeled out in March last year.

When the prototype was exhibited at a three-day equipment show at Hatfield Herts, the industry's reaction was "absolutely phenomenal," according to Beresford. But sales were not. It also proved hard to find dealers prepared to lay out the cash at a time of recession, or capable of putting the product with vigour. By the end of last year Beresford had sold 19 excavators through his nine dealers at a price of under £16,000, or £2,000 less than the cost of the Japanese equivalent. Technical problems then intervened, some of them caused by the use of large,

over-robust components in a small machine: small-scale components were not readily available outside Japan.

In addition sales went much more slowly than early customer interest had suggested; and Beresford started to run out of money. He had done the whole thing on a shoestring—less than £100,000, including at least £15,000 spent on promotion.

At this point he started looking round for a buyer. JCB was interested, and Beresford went off to the company's headquarters in Rocester, Staffordshire, for a series of talks with its senior managers.

The fact that JCB decided in the end not to buy out the Beresford operation was not due to any lack of patriotic feeling. It seems that for JCB, with 75 per cent of its products sold abroad, a minimum annual output of 1,000 units would have been necessary.

JCB may have been persuaded that the Japanese could be taken on in the UK market, but had grave doubts whether it could compete worldwide against the cheap components to which the Japanese manufacturers have access. JCB has been talking to the Japanese, including market leader Kubota, about mini-excavators, but may be thinking in terms of a bigger and heavier machine than the 3-tonner that Beresford built. In short, JCB was not convinced that the Japanese could be beaten at their own game.

Having drawn a blank there

Beresford was advised by another contact to try Manitou, an aggressive French company which claims to be market leader in the UK with its rough-terrain forklift trucks.

He met John Iles, director of Manitou's UK operation based near Wimborne in Dorset.

They discussed the mini-excavator in a Daventry pub and hit it off immediately. Iles, a former JCB dealer and a patriotic businessman who likes to stress the high composition of UK components in Manitou's French-assembled machines, set about persuading the parent company to let him sink \$1m (nearly a third of the UK subsidiary's net worth) into the Beresford digger.

Royalty

The French managers came to see the B15-X at work and, despite some shrugging comments to the effect that the excavator was "too good" (that is, over-engineered), approved the deal.

Beresford collected a lump sum (probably considerably less than his total outlay) for the design copyright, plus a 2 per cent royalty for five years on every machine sold, plus the Manitou dealership for his part of the Midlands. If Manitou reaches its sales target of 100 machines a year through its network of 20 dealers and 32 depots, then Beresford stands to claw back well over £200,000.

However, the first cheque

from Manitou did not solve Beresford's financial problems. He had borrowed from his bank—"they have been bloody marvellous"—and is now having to pay that money back in short order.

Manitou is re-handling the machine under different livery and a new name, the "Mandie," next month. It has had to make further engineering modifications and will be setting a price of just under £17,950 compared with the £17,950 quoted by Kubota, the direct competitor.

Iles says the machine will fit very well both in terms of price and client with the kind of business his dealers are already doing. But his problems could be matched by the competition—especially if the Japanese decide to bite back at the British challenger. Kubota is reportedly offering a dealer discount of 30 per cent, with 90 or 180 days, interest-free credit or a further 10 per cent discount for cash settlement. Manitou will be working on a 25 per cent discount for cash.

Iles says the selling point will be a higher engineering specification at a competitive price, with the bonus of much cheaper spares. He believes that the machine's Britishness will also count heavily in its favour; a Union Jack has been painted on the excavator's chassis.

It will be another year at least before anyone can tell whether this unusual venture looks like paying off. What lessons does Ian Beresford draw from his work in being done as the

French managers came to see the B15-X at work and, despite some shrugging comments to the effect that the excavator was "too good" (that is, over-engineered), approved the deal.

Ian Beresford: "Whatever you think you can sell, cut it in half." experience? "You have to get machines were being sold into the need. We were doing it on a very small amount of capital whereas a company like JCB might have spent millions." Would I do it again? "Yes, I would. But this time, knowing what I know now, I'd do it differently. You need lots of one commodity—pound notes."

real growth with an increase of just over 11 per cent to £60m. Cinema advertising stayed the same at £12m, while poster and transport advertising rose by 10 per cent to £11.5m.

Consumer magazines also had a difficult time, with advertising up by just 4.2 per cent to £200m. In contrast, trade directories did well—up by over 18 per cent to £297m. The main factor was the introduction of the new Thomson Regional Directories.

One small—but significant—growth area has been in advertising placed through free-distribution newspapers. In 1981, free-sheets carried some 25 per cent by value more recruitment advertising were placed in trade and technical magazines which, with the recession biting as well, only managed to record

Ups and downs of advertising expenditure

total press share of the advertising market fell by 1.4 percentage points to 64.5 per cent between 1980 and 1981. Television's share of the market, however, increased by 1.6 percentage points to 23.7 per cent.

The press—including national and local newspapers as well as trade magazines—still accounted for the bulk of advertising revenue at £1.816bn. This was a rise of 7.8 per cent over 1980. Television advertising expenditure, however, rose by almost 17 per cent to reach £309m last year.

Looked at another way, the

press overall had uneven fortunes with a 9.6 per cent rise to £547m in advertising through national papers outstripping the increase for regionals of just under 7 per cent to £884m.

The difference was largely due to the impact on the regionals of a slump in recruitment advertising as well as the extra boost to those nationals which launched colour supplements last year.

Other victims of the drop in recruitment advertising were trade and technical magazines which, with the recession biting as well, only managed to record

a 3.7 per cent rise in revenue to £15.6m.

The press overall had uneven

fortunes with a 9.6 per cent rise to £547m in advertising through national papers outstripping the increase for regionals of just

under 7 per cent to £884m.

The difference was largely due to the impact on the regionals of a slump in recruitment advertising as well as the extra boost to those nationals which launched colour supple-

ments last year.

The fastest growth of all, how-

ever, was in financial and

savings advertising which rose

by almost 50 per cent to reach a 3.7 per cent rise in revenue to £21.5m.

Consumer magazines also had a difficult time, with advertising up by just 4.2 per cent to £200m.

In contrast, trade directories did well—up by over 18 per cent to £297m. The main factor

was the introduction of the new Thomson Regional Directories.

One small—but significant—

growth area has been in advertising placed through free-distribution newspapers. In 1981, free-sheets carried some

25 per cent by value more

recruitment advertising were placed in trade and technical magazines which, with the recession biting as well, only managed to record

</

THE ARTS

Don Quixote/Olivier

Michael Coveney

Ever since the National Theatre opened, it has been to Bill Bryden that we have turned for work that most resembled that of an integrated company. Most of this has been accomplished in the Cottesloe; the director's one previous excursion into the Olivier, with the opening production of *JL Capello*, was an unmotivated disaster.

Now, however, the Bryden mob has commandeered the vast stage and delivered a piece of work that is as good as anything yet seen on the South Bank. The episodic grandeur of Cervantes has been gloriously rendered by Keith Dewhurst (using the first English translation by Thomas Shelton) into a splendid ensemble showcase with Paul Scofield ideally cast as the fantastic nostalgic of knight errantry. The occasion is fit to set beside such different Olivier triumphs as *Gallops*, *The Overcoat* and *Guys and Dolls*.

William Dudley's design is a sunbaked Andalusian plain with two large flaps that rise and fall with the shifts in location. High to the audience's left is a hillside community of musicians nesting among twinkling lights, palm trees and orange slate roofing.

After an admittedly shaky start, one of the joys of the evening is the manner in which the music invades the outstage performance, emitting a wonderful blare of Hispanic rock on Tijuana brass, synthesiser, percussion and wind. Most of



Paul Scofield

the selection of incidents from the novel is of course arbitrary. This is no Nicholas Nickleby, but a three-hour selective dash through the narrative labyrinth. Aerated philosophising is cut to the bone and we are left with the assault on the windmills (Scofield charging up the centre aisle to take on the lighting effects); the hilarious confusion of the castle in the air where Mariflomes (Vicky Ogden) bed-hops while Quixote snores; the acquisition of the barber's basin as a golden helmet; the encounters with such ferocious enemies as bleating sheep and recalcitrant lions (both species wittily impersonated by actors, the sheep on roller skates); and a delightful puppet show where the Don meets showbiz pretence with a bigger pretence of his own:

The action is punctuated by the potent vision of Schofield and Tony Haygarth's uncomplicatedly morose Sancho Panza appearing centre stage on tricycles: Quixote's Rocinante is a penny-halpeny (large front wheel, two small ones in support), Sancho's Dabbie a pathetic replica.

This echoes the comparative projections of their mounts. Scofield has concocted a most extraordinary wheeze that is

perfectly articulated but dripping with tiredness. He flutes and bellows like a senescent windbag, throwing great shafts of melancholy through his speeches of sensible conclusion, while Mr Haygarth tags along with a similar, but more flatly projected repertoire of grunts and giggles.

The second act is full of remarkable images. The battle

scenes have the richness and horror of Goya, while Dairdie Clancy's costume in Pastoral Arcadia have the extravagant courtesy of Velasquez. Design, lighting and sound come memorably together in the cave sequence. No space to celebrate the contributions of Jane Wood, Brian Glover, Jack Shepherd and Derek Newark. But all involved are on to a real winner.

Homage to Diaghilev/Coliseum

Clement Crisp

The Ballet Théâtre Français has come with its celebratory Diaghilev programme to fill our the last two weeks of the Nureyev season. In Paris this quadruple bill—*La Boutique Fantasque* L'Après-midi d'un faune, *Le Spectre de la rose* and *Petrushka*—was fittingly seen at the Châtelet, Diaghilev's first Paris theatre; aptly, the Coliseum—where *Boutique* was first given—provides a setting for the welcome appearance of the company. The "thematic" programming which is such an intelligent feature of the troupe's policies puts to shame the Frankenstein-surgery manner of the Royal Ballet; I reported earlier on this Diaghilev homage and on the admirable "Post-war ballets" survey, both of which cast so much more artistic illumination than our local brain-tub system.

Of course, Nureyev is the justification for this BTB visit to London, but the company is an

attractive and gifted ensemble, and the opening account of *La Boutique Fantasque* had the right air of sophisticated simplicity, with well-delined character playing even though the text still has lacunae that need filling with those small vivacities and displays of temperament which are part of the secret of the Massine manner.

The production brings Lorraine Massine to wear the black velvet suit of his father's great creation, but though he shows a certain earthy energy, that electric and supple dynamism which was so vividly Massine's (and is superbly Alain Dubreuil's with the Sadler's Wells company) is missing.

Adeline Carpenter, young, pretty, gifted, makes a spirited Can-can dancer, and in Patrick Armand the Cossack Chief finds an interpretation of bright vivacity and exciting presence.

If the surviving works from the Diaghilev repertory are to

make any real sense in the theatre and not seem more jiggling ghosts, they need loving respect for their components (design properly prepared; scores honourably played) and a performance manner of rare intensity.

Diaghilev's own view, towards the end of his life, that Schéhérazade was unperformable because the colours would never seem bright enough, indicates the nature of the problem even then. How much worse has it become today, when the Ballet Russe tradition of dramatic performance is lost and dance artistry has so much changed.

By the care and detail of preparation and the skill of Serge Lifar as producer, the BTB Nureyev's performance on Tuesday night was that quality-perceptible in the photographs of Nijinsky in these roles and in the commentary upon his interpretations—of a sustained emotional and dynamic state throughout the ballet.

What was missing from Nureyev's performance on Tuesday night was that quality-perceptible in the photographs of Nijinsky in these roles and in the commentary upon his interpretations—of a sustained emotional and dynamic state throughout the ballet.

Christopher Newton had only just taken over the Shaw

Theatre when I last came, two years ago. He now has a very bright company and promises a very bright season, though Shaw's works form only a modest part of it. *Pygmalion* (in the interesting version by Denise Coffey which we had at the Young Vic), *Too True to be Good* and the one-act *The Music-Care* represent the eponymous genius. The rest is highly miscellaneous but mostly interesting.

Barry MacGregor is Higgins in

Denise Coffey's *Pygmalion*, a bold and witty production of how-it-really-happened in the middle. All three are played in a sitting-room overlooked by a balcony from which the smart world looks down as if at the theatre.

Duplessis/Camille is hand-

somely played by Goldie Sample,

a tall, attractive actress who has

no trouble commanding a stage

full of commanding people, and

without losing her dignity.

Joseph Ziegler plays Alexandre Dumas with a full surrounder of romance. They are surrounded by a gallery of cameo parts nicely maintained; the only one

Festival in Zurich

The 1982 Zurich Juilliard Festival of opera has just ended, and the old Zurich Opernhaus has closed its doors for the last time. Excavation has already made tracks deep along the lakeside frontage of the building (with archaeology inspection vans in attendance to supervise the results of the digging). Plans for the new opera house are being carried out after all the local riot of youthful protest against it that recently brought the city an unexpected kind of international attention; the opening is scheduled for 1984. Meanwhile, opera in Zurich will have to inhabit temporary lodgings (among the prospects for the 1982-83 season is an *Aida* with Chiara and Oberstova, in the city's sports stadium).

For an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

Max Loppert says farewell to an opera house and reviews a Mozart cycle

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to trip over on the way. The more daunting task, that of rendering fully

for an inveterate disapprover of Ponnelle's work, who was greeted at the 1978 Edinburgh Festival showing of the Zurich Monteverdi operas, by a riot of frivolous production "ideas" achieving the effective disguise of most of the great things about those works, the visit seemed, it must be admitted, not without its deterring aspect. And would Haroncourt, master conjuror of cleaned-up instrumental sound, prove himself a musical leader more sensitive to the conjunction of vocal and dramatic impetus in Mozart than he had in Monteverdi?

The results were surprising, mostly positive, not without a quantity of stones to

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4, Telex: 8954871
Telephone: 01-248 8000

Thursday June 24 1982

A generation at risk

THIS WEEK'S unemployment figures were an uncomfortable reminder of the extent of the waste of human resources in the present recession. Some 3.06m are out of a job and a further 102,000 school leavers joined the unemployment register last month. In the absence of an economic boom on a scale that no one in or out of government expects, the likelihood that these figures will come down to a tolerable level in the short or medium term is nil. There is a serious risk that many of the young people now coming on to the labour market will remain jobless for some years and become increasingly embittered.

Over the next few months the Government will come under increasing pressure to create jobs. Yet the message of many years past is that it is no longer possible for governments to spend their way out of recession. The causes of today's unemployment are not to be found in deficient demand. The problem is rather that too much aggregate demand is going into higher prices instead of increased output and that there is no short-term panacea whereby the process can be reversed. Long-term solutions involve facing up to structural change and the need to tackle the rigidities of the labour market. Any realistic job-creation policy should start from that underlying premise.

In a report published last week a select committee of the House of Lords rightly put considerable emphasis on education and training. From the politician's point of view the appeal may be limited since it is rarely possible to point to specific jobs that result from expenditure on education and training. But adding to the skills of the workforce genuinely facilitates the workings of the labour market by making people more adaptable. But who, in the workforce, should have the benefit?

Solutions

The main thrust, according to the select committee, should be directed at people under 18. On social grounds this makes obvious sense and the young are likely to be more receptive to training than many of the long term, older unemployed who tend to be less adaptable. Yet there are dangers in addressing employment problems by singling out specific groups for treatment in this way. It could be argued, for example, that those in work may be better placed to make use of training;

by upgrading their skills they may make way for others so that an unskilled worker is ultimately able to climb on to the bottom rung of the labour market. It is there that the problems of unemployment are most acute.

Thereafter solutions become

more cosmetic and/or controversial. In the present climate the case for taking people off the unemployment register by bringing down the age for early retirement looks attractive. But job creation raises wider questions. The Lords select committee wants to create jobs both through wage subsidies, which effectively means that the taxpayer is pricing people into jobs, and through public works.

Objections

The committee rejects the idea of grants payable to employers in the private sector and the nationalised industries on the grounds that it is impossible to be sure that the job would not have been created anyway. But it argues for subsidies in the public and voluntary sectors, where jobs can readily be created without displacing jobs elsewhere. Since the additional labour would apparently be paid on a par with the existing labour force, this is open to the criticism that the cost would be unduly high.

Economic objections can also be levelled at the committee's call for the creation of long-term jobs in construction and civil engineering through public works. If fiscal and monetary policy is thought to be too restrictive, a general relaxation might seem more logical than a programme that satisfies particular interest groups.

Problems

The implicit counter-argument in the report is that the likely level of unemployment in the foreseeable future may be socially intolerable and that the construction sector provides the opportunity to create the greatest number of jobs at the lowest real cost while resources stand idle.

One of the merits of the present Government is that it is prepared, unlike many of its predecessors, to confront problems of structural adjustment; and it rightly sees the need for making the labour market work more efficiently. But it neglects the social strains in the present level of unemployment at its peril. The case for short-term palliatives should not be ignored.

The right is now down to a hard core

of the left in the National Union of Railways, the largest union both in BR and London Transport — and for long regarded as a bastion of trade union moderation.

In the British Rail dispute, pay and productivity are the main reasons. BR has offered 5 per cent from September to its 180,000 workers — in return for key productivity improvements. These include the removal of guards (mostly in the NUR) from passenger trains and more flexible work rostering for drivers. (some NUR, but mostly members of the Associated Society of Locomotive Engineers and Firemen (Aslef). The 5 per cent offer has been rejected.

On London Transport, the immediate reason for the strikes is the cut in services which

followed the Law Lords' judgment last December that LT could not subsidise its operations. Fares have gone up by nearly 100 per cent and passengers carried have fallen by 15 per cent. But in the background there is also the issue of a pay and productivity package offering rises of 5 per cent.

There is a similar edge to both disputes, a militancy more usually associated with Aslef. But this time it is the NUR which is making the running, and one of the main reason for that is the change within the union itself.

Most important, the political complexion of the NUR's governing 28-man executive committee has been transformed in recent years, reflecting a change in the complexion of the membership. Traditionally, a moderate executive would rubber-stamp the agreements reached by moderate full-time leaders; all that is now changed.

Around 15 of the 26 executive members would probably be regarded in political terms

The right is now down to a hard core of only about six, with the other five not definitely aligned. So the left can now command a comfortable majority on political issues.

On industrial issues, voting

on the executive tends to be less predictable. For instance, the motion to accept flexible rostering for the NUR's guards was surprisingly moved by a left-winger and was carried by 15 votes to nine — a defeat for them.

This combination is still risky for moderate NUR leaders — but it is a better bet for them than the executive.

Similarly, if there is a patched-up deal, the likelihood of the executive accepting it at present seems extremely slim; the best hope for NUR leaders would be to put it to the more moderate AGM.

As well as the growth of the left on the executive and at the AGM, the past two years have seen the rise of a new Broad Left in the NUR, grouping together left Labour supporters, Militant Tendency supporters, and members of

more far-left groups outside the Labour Party.

The Broad Left attracts younger, radical elements in the union, united around firm policies on key issues — wages, jobs, privatisation and others — but takes its cue from the activities of the Left in the Labour Party by concentrating considerably on constitutional issues — the mechanics of power and control

• The left will try to change the voting system, from the present arrangement of victory by a simple majority, to one based on the block votes of branches, which would give more power to the larger and left-dominated branches.

• The left will try to scrap the system which precludes executive members from serving for more than three years. The left feels that this gives the full-time professional officers a considerable advantage over the amateur executive members.

Active Broad Left supporters, as in most unions, probably number no more than a few hundred out of a total membership of 150,000 — but their influence is growing. The left has been able to capitalise on the "age gap" in BR and, accordingly, in the NUR.

NUR numbers fell after the Beeching cuts in the mid-80s, from 254,687 in 1985 to their present level. BR was shedding staff then at a rapid rate; accordingly, it now has a large number of older workers whose political and industrial attitudes are to be moderate, but who are heading towards retirement.

Rising unemployment made the unsocial hours and relatively low basic pay on the railways more attractive; so a new group of more militant workers started joining BR and the NUR in the 1970s — and it is their left-wing representatives who now making their presence felt.

This revived militancy is backed up with a strong loyalty to the union — and the level of support towards the rail workers must stand and fight." The combination of that new-found militancy, the new strength of the left and the financial security of the union must be a daunting one for BR and LT.

Strike pay in the union is

By Philip Bassett, Labour Correspondent

BRITISH RAIL STRIKE THREAT

The NUR changes track to a militant line

By Philip Bassett, Labour Correspondent

This revived militancy is backed up with a strong loyalty to the union

last year, support for unilateral nuclear disarmament — the AGM is much less left-dominated.

While there are annual variations, its 77 delegates are thought to be roughly evenly divided — about one-third left, one-third right and the final third capable of voting any way.

This combination is still risky for moderate NUR leaders — but it is a better bet for them than the executive.

Similarly, if there is a patched-up deal, the likelihood of the executive accepting it at present seems extremely slim; the best hope for NUR leaders would be to put it to the more moderate AGM.

As well as the growth of the left on the executive and at the AGM, the past two years have seen the rise of a new Broad Left in the NUR, grouping together left Labour supporters, Militant Tendency supporters, and members of

For example, in the past the BR — then dominated by the Communist Party — did not have the organisation to get support from the eight branches necessary for rule changes; the new left, armed with model resolutions in the style adopted by constituency campaigners in the Labour Party, can easily secure nominations from three or four times the necessary number.

Left activists will try to put the Broad Left's policies into effect at the AGM beginning next week in Plymouth:

• The left will try to win greater control of the AGM by attempting to enlarge the conference. At present, 77 delegates are elected, often by Buggins' turn, by groups of branches. The left will try to secure the election of one delegate per branch, which would increase the size of the AGM to about 500.

Strike pay in the union is

unattractive. At £5 a week, it is probably one of the lowest rates in the trade union movement — which seems odd, because probably per member, the NUR is one of the TUC's richest unions.

Accounts to be presented to next week's AGM will show that for the first time, total assets exceeded £20m — an improvement of nearly £600,000 on the previous year.

Per capita, works out at £12.91 compared with last year's figure of £11.05.

The real losers could be the passengers

£6m headquarters in central London.

In a membership newsheet yesterday, the NUR said: "This is the point we must stand and fight." The combination of that new-found militancy, the new strength of the left and the financial security of the union must be a daunting one for BR and LT.

However, the firmness of the Government's support for BR at this time, and the level of public antipathy towards the rail workers, must daunt the unions too. The real loser could be the 2m BR passengers and the 1.75m on LT who may well have no trains from Monday.

Why Sid Weighell no longer talks like a moderate

SID WEIGHELL, general secretary of the NUR, has for long jostled with the recently-retired and now ennobled Joe Gormley as the leading public voice of moderate trade unionism.

If Ray Buckton, general secretary of Aslef, is the railway's Mr Hyde — always seen by the public only on the issue of a strike threat — then Mr Weighell is clearly its Dr Jekyll, forceful yet sensible in argument.

Nowhere was this better highlighted than in the strikes earlier this year by Aslef, when Mr Weighell was openly critical of the train drivers' union for refusing to accept flexible rostering, as the NUR had done. His support was

crucial to British Rail. Suddenly, all this seems to have changed. It is the NUR, not Aslef, who are set to strike from Monday. It is Mr Weighell, not Mr Buckton, who appears on television looking angry at the end of a negotiating meeting.

In part, the image was never true. A wily, sprightly Yorkshireman, whose father and grandfather were railwaymen, Mr Weighell has always been aggressive and critical of unions which do not represent their members, union leaders who do not lead, of the Labour Party, of the TUC, of BR and the Government. Mr Buckton, in contrast, has always been more relaxed and gregarious.

For NUR as employer, this has had many advantages. While Lord Greene, Mr Weighell's predecessor, virtually coined the trade union cliché "I'm taking it back to my executive," he and his predecessors enjoyed considerable

able power in the union. Since taking office in 1975, Mr Weighell too has been able to make agreements virtually alone with the confidence that his executive would support him. Now things are different. There was even talk at last year's NUR AGM of Mr Weighell retiring early, — he is now 60 — to the extent that the Sun newspaper carried an editorial entitled "Don't Do it, Sid."

At the AGM opening in Plymouth on Monday, left-wingers in the union are mounting a three-pronged attack on Mr Weighell. First, a motion from the union's Brighton branch seeks his removal from office. This will be supported by a

detailed breakdown of the rules Mr Weighell has allegedly contravened. But the left may not push the issue. Partly because of the strike — as with Mrs Thatcher when the Falklands conflict opened — there is little popular support to remove a leader at a time of crisis. And partly because of the nature of the conference, it would probably be rejected. It would, therefore, turn into a vote of confidence.

Second, the left will try to secure the election of officers every five years. And third, the left will try to wrest control of executive committee business from Mr Weighell. He at present decides what shall be discussed, since he

decides what appears on the executive agenda, which unusually does not have an Any Other Business section for members to raise issues not set for debate.

But Mr Weighell is a fighter. In executive committees, as at the union's AGM, he is prepared to confront his opponents head on, accusing them directly of "taking orders from Moscow" or calling out "I know which political party YOU belong to."

He will continue to fight his corner, both inside and outside the union. But as the current strike threats and constitutional moves against him show, the pressure is building up.

Men & Matters

Top Grade?

Lord Grade had plenty to celebrate yesterday. Why? It was his ruby wedding, his wife's birthday, the anniversary of his peerage — and last but not least, his accession to a new throne.

The announcement of Grade's five-year appointment to head the international branch of the US entertainment group, Embassy Communications, came with all the former head of ACC's indomitable style.

The former Charleston champion skipped through a few sprightly steps of his favourite dance after telling the assembled company at the Inn on the Park that at 25 (Grade ages backwards) he felt younger every day.

With the champagne flowing as freely as Grade's quips — however familiar it seemed that the archetypal impresario had talked his way back into the entertainment moguls he always was.

All this makes fascinating reading. But Grade's reply to drachmas, it is unclear. Why the only explanation must be that he forgot his lines — something which Grade is unlikely to do.

Counting the cost

Some of the myths that have grown out of the mysteries of Swiss banking are exposed today with the publication of Nicholas Faith's book, *Safety in Numbers*.

Faith, formerly assistant editor of *The Economist* and now contributing editor for *Euromoney*, corrects the widespread misapprehension that Swiss banking grew up to provide protection for Jewish money fleeing Nazi Germany.

Instead, he writes, much of their funds came from French clients seeking to evade taxes and their ex-wives' lawyers, and substantial amounts came from the Nazis themselves.

When asked about the salary he will earn from what Grade calls "my new marriage," he coyly answered: "As you get younger, your salary goes up," but hinted that it would be more than £200,000.

In any case, said Grade, his £46,000 annual pension from ACC was enough to keep him in his well-known fat cars.

Chirpy as ever, Grade said he was looking forward to celebrating his ruby wedding with Embassy just after the end of the century.

In contrast to Grade's East End panache were his new bosses, Norman Lear and Jerry Perenchio, who looked suspiciously like bit-part players from Dallas. All that belied their puzzlement at Grade's oddball humour was an underlying smugness in the knowledge that they had bought a potential winner.

The resemblance became closer when one of them was asked how much he was worth and produced from his hip pocket a wad of crisp banknotes. "About 40,000 Greek

dear is hardly a surprise. But what is startling is to find him taking such an excellent up-market product as the Australian deer farm already seen as a profitable future.

Fletcher estimates the average deer provides meat for some 300 burgers.

Up to now, about 90 per cent

of British venison has been shipped to West Germany, but that looks like changing as the taste for venison burgers spreads at home.

According to Lamb: "Many so-called up-market newspapers need a sharper cutting edge. Because they are so reasonable, they frequently tend to be somewhat woolly. Bland would be a good word."

Which hardly answers the question. The Australian press is in the midst of a bruising circulation war. And Lamb promises that the Australian's readers will see a change of tack "within three days." They have been warned.

Traveller's tale

Commuting into London is one way to make friends. I suppose it is a bit like it was during the Blitz — facing the daily hazards together, sharing the miseries of British Rail's miseries.

But how does such companionship survive, say, when your friendly fellow commuter goes off on a business trip to Seattle?

David Gray, editor of *Fruit News*, the staff newspaper of Prudential Assurance, thought no more of it when a travelling companion, who knew neither his full name nor address, promised to send him postcard.

But Gray turned up at Oxford railway station a few mornings later and was handed the postcard. It was addressed to the station postbox to be delivered to the most easily identifiable "Small Scotman" who buys *The Guardian* and the *Mirror* and catches the 07.03 to Paddington.

Yet all was not well and on April 17, Lamb parted company with Holmes a Court.

His decision to rejoin Mur-

Australian Lamb

That former Fleet Street trouper, Sir Larry Lamb, once editor of the Sun in London, has returned to Rupert Murdoch's fold. Lamb has joined the News Group, taking over the editorship of the Australian. Murdoch's flagship daily paper down under.

Knighted for services to journalism in 1980, Lamb has been in Australia since last October, when he arrived in Perth as editor in chief of the Western Mail, owned by Robert Holmes a Court.

Previously, the Mail had been a typical conservative Australian newspaper.

ECONOMIC VIEWPOINT

An upside-down dollar crisis

By Anthony Harris

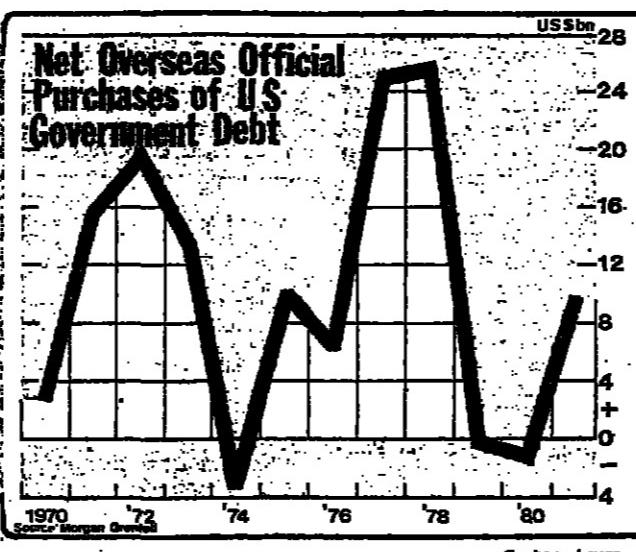
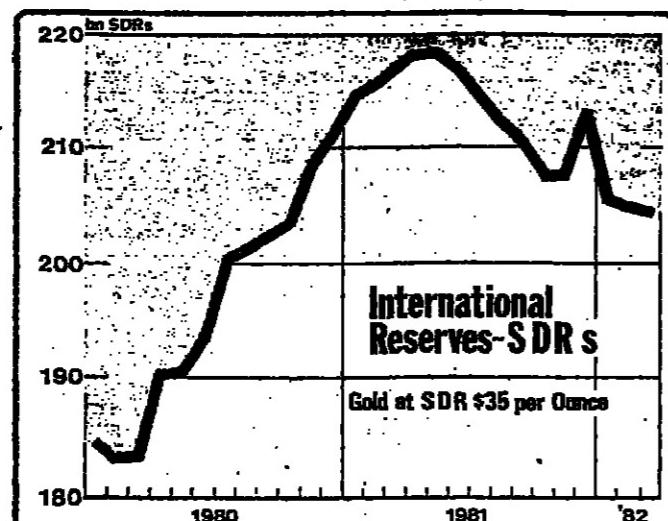
ALAS, POOR Drysdale! If its bankers had been willing to carry its position for a few weeks more, this Wall Street investment concern would now be highly profitable instead of being spectacularly bust; and there can be no investment experience more bitter than going broke through taking the right view.

This may appear to be simply an ironic footnote to the present crisis of rising U.S. interest rates and a runaway dollar, but it is a good deal more than that; for it illustrates not only the volatility of markets, but the panic-like confusion now reigning on the Street. The bankers allowed Drysdale to fail because they dared not form a judgment on the fundamentals.

Americans—apart from Dr Kaufman and, as will appear, at least one Governor of the Federal Reserve—are accustomed to think almost entirely in domestic and insular terms; and that is the root of a good deal of our present discontent. The U.S. Treasury regards deficit financing largely as a simple exercise in bond marketing; the Fed conducts monetary policy as if in a closed economy. The contrast with Britain, where government financing is the main tool of monetary control, and where both monetary and fiscal policy are strongly influenced—and sometimes dominated—by the exchange rate, is complete.

To understand how these insular habits can destabilise the whole world, it is necessary only to think back a few years to the prelude to the Volcker revolution of October 1978. During the three-year run-up to that crisis the US domestic scene appeared relatively serene. Growth was rapid—the “Carter miracle,” inflation fell and then rose but did not explode, the money supply was well behaved, its real growth was on average near zero, and never exceeded 2% per cent annually), and interest rates were blessedly low.

From this side of the Atlantic, things looked very different. The US visible account collapsed, from near-balance in the decade up to 1975 (and ending with a strong surplus) to an annual deficit of near \$30bn in 1978. The dollar was persistently



weak, and declined by more than 20 per cent. U.S. liquid liabilities overseas virtually doubled between 1978 and 1979.

The U.S. was widely and loudly accused, therefore, of exporting its problems. Foreign markets were flooded with liquidity, and the German and Swiss authorities were for a time allowed right off the path of monetary virtue. Opec, suffering a rapid decline in its real revenues, was provoked into administering the second oil shock. Excessive U.S. credit expansion, in short, was causing world-wide inflation.

In the years since the Volcker revolution, which imposed tight limits on the growth of U.S. bank reserves and thus their power to create liquidity, all these problems have been reimposed.

Measured by the external position, or the rate of inflation, the new policy has been an astounding success. The current account is in large surplus (though not the merchandise account), the dollar has rebounded to far above its starting point, and U.S. liabilities have melted like summer snow.

World reserves in total have shrunk (and shrunk much faster than the IMF figures, if the collapse in the gold price is taken into account) and the Eurodollar market has gone into growth in terms of new credits extended.

The Fed has thus disinflated

the whole world; and yet the domestic money figures have persistently tended to overshoot, the Federal deficit has risen steeply—largely because of the high interest rates involved in the new policy—and government financing is Wall Street's living nightmare. These, you might think, are all the problems that should have arisen in the days of excessive ease up to 1979; what has caused this delayed return to the roots?

A large part, at least, of the answer lies in the behaviour of foreign central banks, for they are substantial participants in the market for U.S. government debt. When the dollar is weak, and they are acquiring reserves, they are large buyers, and U.S. Treasury financing becomes effortless; when the dollar is strong, and they are supporting their currencies, they sell U.S. Treasury securities, adding to Wall Street's burdens.

As the chart shows, the swings in the past have been large. There is little doubt that this year, and especially this summer (as in the third quarter of 1981) foreign official holders have been large net sellers on a scale not shown on the chart; and in the last week or two, in deference to the Versailles summit, the U.S. authorities have also had to borrow dollars to throw at the currency markets.

Of course when monetary authorities intervene to restrain

a strong dollar, they supply dollars to private holders, and it might be thought that this flow would sustain the markets. However the private holders are not natural bond buyers. They are often corporate treasurers, who now operate on a vast scale as my colleagues David Marsh has pointed out in the Financial Times recently. They prefer more liquid bank and money market instruments.

Hence the intervention tends both to add to the flow of government securities on offer on Wall Street and to inflate the U.S. money supply, a double source of demoralisation. The vultures coming home to roost in Wall Street may thus be identified as reserves exported in the lax days of the 1970s.

The results of these events in Wall Street are the more demoralising because they are so little understood. Only Dr Kaufman regularly seems to draw attention to the importance of foreign demand for U.S. government securities. Other investors remain hypnotised by domestic tales of “crowding out,” and are further demoralised when action to check the growth of the Federal deficit does nothing to revive the market.

I have experienced these domestic obsessions at first hand; on a recent visit, my efforts to explain the international dimension were met with blank incredulity. “What have you been telling them?” a

Fed governor asked me afterwards. “Oh, just that a strong dollar is bad for the bond market.” “Of course it is,” he said. “Don’t they even understand that?”

However, although wider understanding would certainly help to calm the market a little, it must be admitted that this account of the mechanism of the crisis falls into the class of so many studies of the flow of funds—important, but unhelpful.

We have learned only that the operation of exchange market intervention tends to intensify the crisis about interest rates, helping to hold them down when the Fed is too lax, and raise them when policy is tightened; but not what causes the crisis.

A simple conclusion would be that of a pure monetarist such as Mr Beryl Sprinkel of the U.S. Treasury: clean floating works better than dirty floating, and intervention is a mistake. However, this would require self-restraint by foreign central banks; and it is not clear that a world of less volatile interest rates but still more volatile exchange rates would be preferable.

Two rather more fundamental conclusions suggest themselves. The first, now being taken up by the former enthusiasts for monetarist discipline on the Wall Street Journal, is that the Fed should stop trying to control the money supply and adopt some more reliable indicators.

It suggests another analogy. Suppose we took away their power of decision, leaving only their dexterity in applying the cue. Suppose also that we required them to play each shot under the supervision of graduate managers and according to precise instructions on how hard to hit the cue ball with what spin at which target ball, worked out by people with doctorate degrees in the relevant branches of physics. For that is the pattern on which everyday work tends to be organised, especially in big concerns.

I was asking because when watching the players on television the previous night I had realised that they were exercising a highly intelligent skill. Success in snooker requires accurate judgment of which shot, in the light of the player's own and the opponent's immediate psychological and physical state, offers the best chance of achieving a double aim. It is to pot a ball and go on to pot another while taking the minimum risk of accidentally letting in the opposition. I wished to find out how the professional snooker-players' kind of skill relates to the academic examination passes which most employers take as a yardstick of human intelligence.

Performance

Would we then expect the snooker players to achieve a higher quality of performance?

Moreover evidence is beginning to appear that academic exam passes are of little relevance even to work of a high managerial kind. Examination success is determined mainly by the ability to give intellectual explanations of how things are done. But Dr Donald Broadbent, of the Department of Experimental Psychology at Oxford, has been testing people's practical success in controlling large-scale systems, such as a complex model of a national economy. He has found that ability to manage the systems is only weakly related to ability to answer questions about how it is done.

Credentials

It transpired that on the best levels of real interest rates threaten catastrophe; the remedy might still lie elsewhere. There is also growing evidence that volatile money rates produce an inherently unstable system—that is, the higher they rise, the higher they tend to stay. We have examined this mechanism in the currency markets; similar effects can be seen in fiscal policy, where high rates cause high deficits and probably also in savings behaviour, where high rates reduce the need to save and thus the flow of investment funds.

The long-term remedy to our present crisis then, is likely to involve all our institutions—the international monetary system; domestic monetary policy; and its instruments—including credit rationing; the instruments of long term debt, which should offer modest but guaranteed real returns; and indeed the purposes for which governments borrow. The one thing clear is that the present rules don't work.

Practice

It seems possible therefore that, like snooker-playing, most intelligent skills required by the economy and society are of the kind which Professor Gilbert Ryle characterised as “knowing how” so as to distinguish them from the “knowing that” associated with academic study. And he added: “We learn how by practice, schooled indeed by criticism and example, but often quite unaffected by any lesson in the theory.”

If so, Britain and other countries may be mistaken in trying to teach occupational skills in educational institutions away from the workplace. The traditional apprenticeship could well be a better basis for training after all.

Lombard

The skills of a snooker player

By Michael Dixon

“WHAT?”, gasped the press-relations officer at the recent Embassy World Professional Snooker Championships. She had apparently not been expecting a reporter to ask for a list of the educational qualifications of the 32 players taking part in the competition's final stages.

I was asking because when watching the players on television the previous night I had realised that they were exercising a highly intelligent skill. Success in snooker requires accurate judgment of which shot, in the light of the player's own and the opponent's immediate psychological and physical state, offers the best chance of achieving a double aim. It is to pot a ball and go on to pot another while taking the minimum risk of accidentally letting in the opposition. I wished to find out how the professional snooker-players' kind of skill relates to the academic examination passes which most employers take as a yardstick of human intelligence.

Letters to the Editor

Railways, strikes and the long-term solution

From Mr R. Bowcott

Sir.—The disputes on the railways and London Underground are cases of the shortsighted leading the blind. The real point at issue is the proportion of surplus income from North Sea oil during the next 15 years to be devoted to the permanent improvement of our transport infrastructure and to a long-term programme of replacing fuel oil by electric traction in important sectors of transport.

An additional factor to be taken into urgent consideration is the age composition of our public transport labour force. In less than 15 years a high proportion of our train drivers and other operational staff will be due to retire but new recruits are not forthcoming in adequate numbers at the existing unattractive wage levels. It has been suggested that some of the supernumerary drivers' assistants are in reality future replacements kept in reserve while undergoing an extended

training period. Very soon the problem facing British Rail will not be what to do with its drivers but where to find enough of them to keep the trains running.

The problem concerning train guards is complicated by the survival of operating traditions dating back to the unbraked train and ultimately to the postal coach. In an age of computerised train control and centralised signalling—where all traction units can be fitted with automatic warning and stopping devices—there is no need for a guard to keep a lookout, though in an age of widespread vandalism there is every ground for a railway officer keeping a lookout for trouble inside the train and for the control of ticket fraud. This is in fact what happens on the Continent.

There is a certain amount of unclear thinking behind the dispute over working hours. Effective working hours for drivers and guards are excessive

because of the—sometimes compulsory—working of overtime and rest days. To enable the railway authorities to dispense with this practice there is a need for an increase in basic wages to bring them up to the level for skilled industrial labour—and thus to attract more entrants to the industry before our trains come to standstill.

What those opposed to a viable wage settlement tend to forget is the need to follow up a long overdue modernisation of our main and suburban networks with a farsighted recruitment policy making it possible to make maximum use of the technical facilities already obtainable. These problems cannot be solved by nominal cash flow limits or High Court judgments.

Ralf Bowcott,
Sorby,
Kiln Lane,
Binfield Heath,
Henley-on-Thames, Surrey.

Vegetable rights

From Mr R. Day

Sir—I cannot let Robin Lane Fox's comments of June 16 go unchallenged.

Is the Gardens Today feature really the place for Mr Fox to confess his vegetable guilt? Should he not promote an apparent catholic gardening taste even though his secret preference may be for more specialised subjects?

In the criteria for home gardening were solely based on economic factors should not everyone cease cultivation of any sort and opt for concrete suitably endowed with plastic daffodils and artificial lawns? I was not aware that garden chemicals and fertilizers for flowers and shrubs were any less dear than those for vegetables. Furthermore does the cost of a packet of vegetable seeds yield a poorer return than the several pounds that may be expended on bedding plants, shrubs and the like? This judgment can never be resolved for it remains the privilege of the buyer to decide the worth of his purchase related to his particular interest and expectations.

Vegetables should not be seen as second-class plants. They have a charm, variety and beauty of their own; at least to the open-minded gardener. Surely the gardener who cannot appreciate the shapes and shades within a well maintained vegetable plot cannot truly call himself a gardener. Any plant and any garden reflects its owner. The composition of that total picture is the gardener's own creation: the result of his interpretation of and dedication to the art. In this case vegetables and fruit are as good a paint as any other on the gardener's palette.

Finally and perhaps most importantly there is motivation and challenge. Who is to say whether vegetable growing is any less satisfying than raising exotic shrubs? Both are equally fraught with potential disaster whether it be the root for winter frost. Indeed the lesser the chance of success the greater the sense of achievement when the object of your labour rewards you with survival and growth. Of course the added benefit of vegetables is that you can taste your success as well as see it!

Mr Fox's remarks display a lack of knowledge and appreciation of the joys of vegetable growing. His words then contain no helpful measure and less practical counsel. But they must make some less critical of all the funds devoted to higher education.

W. L. Wilson,
Oakwood,
34 Chestnut Avenue,
Chorltonwood, Herts.

01-248 9166.

ONE SET OF FIGURES EVERY PENSION FUND SHOULD KNOW ABOUT.

It's the telephone number of Barclays Investment Management Limited, a wholly-owned subsidiary of Barclays Bank Trust Company.

We specialise in providing full investment management services to institutional and corporate clients and we are one of the leading investment houses in Britain. Funds under management exceed £2,000 million of which £1,400 million consists of the investment portfolios we manage on behalf of company pension funds.

As you would expect from the size of these figures and from our Barclays Group pedigree, Barclays Investment Management Limited possesses the skills and resources needed to manage your company's pension fund—and to do it very well—whether yours is still a medium-sized company or a multi-national corporation.

If you would like to know more, the man to talk to is Bill Hilling, Director and Investment Manager, Barclays Investment Management Limited, Juxon House, 93 St. Paul's Churchyard, London EC4M 8EH.

Ask him about the kind of performance his fund managers have achieved over the past five years, the quality and extent of the service pension fund clients can expect to receive and the comprehensive administrative back-up that can be included in the package if required.

We think you'll be impressed with his answers.



Ferranti ahead to £23.8m: scrip

TURNOVER OF electrical and electronic engineer, Ferranti, rose by £55.2m to £206.9m for the year ended March 31 1982 while pre-tax profits advanced from £15.1m to £23.8m. At half-way, the taxable figures were ahead by £3m at £9.4m.

Stated yearly earnings per 50p share climbed from 40.4p to 50.4p and the dividend is lifted to 8.5p (6.5p) net with a final of 5.5p (4p). A one-for-one scrip issue is also proposed.

The group's main electronics businesses achieved record levels of output and new orders and trading profits increased by 25 per cent. An order increase of 40 per cent in the civil computer systems business was particularly encouraging.

However, trading conditions in the engineering division were very difficult and losses increased by £1.8m. But economies and a higher level of orders mean that this division can look forward to an improved result in the current year.

An analysis of group profits shows: computer systems £8.6m (£7.3m); Scottish group £14.1m (£11.1m); instrumentation £1.2m (£1m); electronics £4.3m (£3.1m); engineering £2.8m loss (£0.5m loss); others—UK £1.3m (£0.5m loss) and overseas £0.1m loss (£0.5m loss).

At the trading level, group profits showed an advance from £20.7m to £24.2m. Share of associates' losses was reduced from £50.000m to £20.000m and interest charges were much lower at £20.000m, compared with £2.1m.

Tax charge was £0.5m higher at £1.5m and after unchanged minority credits of £100.000 and preference dividends, profits attributable to ordinary holders came through ahead from £16.3m to £21.5m.

The result however was before a currency translation surplus of £300.000 (£100.000) and extraordinary debts up from £1.5m to £2.4m which included goodwill of £1.4m.

A strong cash flow in the second half resulted in a net cash inflow during the year, in spite of £22m of capital expenditure, while cash deposits exceeded borrowings at the year end.

In December, the company said that the level of borrowings during the first half had been low but would be higher in the second six months.

In current cost terms, pre-tax profits came out at £17.6m (£10.4m). See Lex

NO PROBES

The following mergers will not be referred to the Monopolies and Mergers Commission: Elcetronic Rentals Group/London and Montrose Investment Trust; Imperial Chemical Industries/Certain assets of Lonza.

Racal tops £100m with further growth seen

Racal Electronics' run of strong profit growth continues apace. Following the climb from £4.27m to £7.31m between 1973 and 1981, a 40.2 per cent increase to £10.28m at the pre-tax level is reported for the year to March 31 1982 with a further record result forecast for the current 12 months. "It will be in our terms a very good year," the company stated yesterday.

Commenting on the year under review, it was reported that strategic communications operations had come out of a difficult time and showed above average growth. An "exciting year" was looked for in the current period, and years ahead on the strategic side.

Tactical radio was also having good time and the Jaguar V order book, given as £2m in January, was now £4m, with the company "just as excited about its future as it ever was."

Group turnover for 1981-82 rose 20 per cent to £43.89m. That of the Decca subsidiary improved 21.2 per cent to £18.19m on the capital goods side, while Decca swung round from losses of £2.45m to profits

of £9.49m. This broke down as follows: capital goods £11.96m (£3.14m) and consumer goods £2.49m (£1.59m) loss.

Decca, the company said, had the electronic warfare side order book had risen from £130m in January to a present £135m. Marine radar, however, had failed to achieve its target of eliminating the previous year's loss and had incurred a £3m deficit. This was expected to be reduced in the current year.

Decca's consumer business would be eliminated within the next year or so, and it was unlikely that Racal would again separate its figures from Decca's. "The period of consolidation was now over."

Mr Leighton Davies, director, talking about data communications operations said turnover had grown consistently at about 30 per cent per annum. It totalled £1.75m last year and he had no reason to doubt that the rate of growth would "just go sailing on."

For the foreseeable future, which he suggested was five years, he saw no "slowing down" in identified areas within its chosen spheres, and some benefits have already been seen. Knowing that the company is equipped to seize the opportunities which will arise, they view the future with some confidence.

A divisional breakdown between turnover and trading profits shows: engineering £22.3m (£7.8m) and £3.84m (£4.44m); shipping £11.1m (£10.51m) and £3.72m (£3.45m); bulk liquid storage £14.5m (£11.7m) and £4.32m (£2.99m); fuel distribution £29.05m (£23.2m) and £5.32m (£6.33m); and construction services £8.2m (£7.52m) and £0.94m (£1.94m). In 1980-81, discontinued activities' turnover was £2.7m and trading losses came to £1.02m.

The engineering division results were affected by lower profits from Hamworthy Engineering and the U.S. companies. Hamworthy, although faced with intense competition, maintained its traditional home and overseas markets, and ended the year with order books much healthier than a year ago.

Southwest Pipe & Supply and National Pump Company started the year well but in the second half were affected by the downturn in the U.S. economy.

Despite continued unfavourable market conditions, the shipping division recovered from a decline at the interim stage, and marginally improved on last year's performance.

After extraordinary debits of £48.000 (£302.000) largely because of costs arising on the disposal of subsidiaries and preference dividends, profits attributable to ordinary holders showed a reduction from £10.66m to £9.48m. Ordinary dividends absorb £4.46m (£4.45m).

The directors report that the group has continued to invest in its continuing investment of some confidence.

A continuing low tax charge of £2.5m (£2.49m) reflects the benefit of capital allowances arising on the purchase of new ships, the significant capital expenditure programme and stock relief.

The bulk liquid storage division substantially increased its profits with a fine all-round performance both at home and overseas, the directors state.

The UK fuel distribution trading companies achieved profits in line with last year against a background of greater stability in coal prices. In France, with

government control of fuel

prices, the group's fuel distribution interests showed a marked decline compared with the exceptional performance of last year.

Poor trading conditions persisted in the construction services industry sector and in December and January had a major influence on the financial outturn of the timber and quarrying activities.

• comment

After a six-year stretch on the slopes between £12m and £16m, Powell Duffry is still plotting its escape from the economic plateau in the year to March. These efforts were actually counter-productive, showing a drop at the pre-tax level of 10.7 per cent despite a marginal improvement in the overall trading surplus. A high level of capital expenditure—and of cash acquisitions—lifted net borrowings by 57 per cent last year, raising income gearing from 25 to 35 per cent. The group feels that it has got through the worst of the recession at the trading level, although PD Engineering is still struggling and the irrigation companies in Arizona have suffered since the second half from an ordering drought. But the investment programme will probably not lead to a profits break-out unless the recent firmer tone of demand at Hamworthy carries through and interest rates take a favourable turn. It cannot be helpful to Powell Duffry in the current year that much of its recent investment has been in the U.S. and matched by dollar debt. The shares moved ahead 5p to 22.2p, where the maintained dividend—implying a 3 per cent yield—remains uncovered by current cost earnings (although historic respectability can be claimed).

The group's main activity is consumer credit. It also operates retail cash trading units and makes men's clothing.

The dividend is again omitted.

Earnings per 12.5p share are given as 5.15p, against 5.12p.

HIGHLIGHTS

Having looked at the financial markets of yesterday, where gilt-edged put up a resilient performance in the face of some poor news and growing shortage in sterling money markets, Lex comments on the major company news of the day. At Ferranti there is a strong profits performance with a 25.7 per cent rise to £23.8m for the full year. Racal seems to have come to terms with its problems in data communications and overall profits are up by 38 per cent including Decca. Lex then goes on the review the position of Chubb and its expensive withdrawal from the cash dispenser business and the huge costs of keeping up with its competitors in the electronic field, in the light of yesterday's interim figures.

It was the company's opinion that some expectations of the £23.8m, minorities amounted effects of the operation on £422.000 (£249.000) and there was an extraordinary debit of £6.000 (£3.08m). Earnings per 25p share are shown to have risen from 18.67p to 26.15p and the net total dividend is stepped up from 4.55p to 5.05p with a final payment of 3.75p. On a CCA basis, operating profits are given as £34.15m (£31.61m).

The group tax charge for the 12 months took £32.37m and the directors intend to turn from a preoccupation with containment, to a more positive approach to growth. However, they point out that a return to historic levels of profitability must depend to a large extent on the pace of economic recovery of the countries in which the company operates.

The highest level of profit achieved by the group was £15.26m for the year to March 31 1979.

In view of provisions now made, the directors add that they do not expect cash dispensing activities to have any further significant adverse impact on trading results—losses relating to cash dispensing at this time amounted to £4.1m against £4.15m previous.

The group does however have a valuable industrial property rights encompassing both cash dispensing patents and know-how and these rights are being actively pursued.

The dividend is maintained at 5.425p net with a repeated final of £4.754p. Earnings per 25p share were given as rising from 4.17p to 6.65p.

At the operating level profit rose from £12.83m to £15.98m—a rise of 24 per cent. The in-

DIVIDENDS ANNOUNCED

	Date	Corrs.	Total	Total
	Current	of spending for	last	last
	payment	div.	year	year
Anglia Television	Int. 2.5	—	2.2	6
Ashdown Inv.	Int. 2.18	Aug 13	1.8	6.6
B. Austin & Sons	0.43	July 23	0.89	1.31
Bell & Sime	2.5	—	2.5	4.25
Chubb & Son	3.48	Aug 27	3.48	5.43
Ferranti	5.5	—	5.5	6.5
Globe Inv. Tst.	4.35	July 30	3.95	7.5
Hickling Pentecost	2	Oct 1	4	6
Ernest Jones	Int. 1.4	Aug 18	1.4	3.9
Arthur Lee	Int. 0.3	July 23	nil	0.44
Nottingham Brick	Int. 2	Aug 16	2	6.62
Petbow	1	—	nil	nil
Polly Peck	6.3	Oct 25	0.1	5.21
Powell Duffry	9.55	Aug 24	9.55	14.25
Racal	3.74	Aug 18	3.4	5.01
Sterling Industries	1.3	Aug 11	1.2	1.65

Dividends shown pence per share not except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡USM Stock. §To reduce disparity with final. ¶For 17½ months.

Second-half upturn at S & U Stores

AN UNEXPECTED upturn in the second half enabled S & U Stores to show a higher profit in the year well but in the second half were affected by the downturn in the U.S. economy.

Despite continued unfavourable market conditions, the shipping division recovered from a decline at the interim stage, and marginally improved on last year's performance.

After extraordinary debits of £48.000 (£302.000) largely because of costs arising on the disposal of subsidiaries and preference dividends, profits attributable to ordinary holders showed a reduction from £10.66m to £9.48m. Ordinary dividends absorb £4.46m (£4.45m).

The bulk liquid storage division substantially increased its profits with a fine all-round performance both at home and overseas, the directors state.

The UK fuel distribution trading companies achieved profits in line with last year against a background of greater stability in coal prices. In France, with

government control of fuel

prices, the group's fuel distribution interests showed a marked decline compared with the exceptional performance of last year.

Poor trading conditions persisted in the construction services industry sector and in December and January had a major influence on the financial outturn of the timber and quarrying activities.

The group's main activity is consumer credit. It also operates retail cash trading units and makes men's clothing.

The dividend is again omitted.

Earnings per 12.5p share are given as 5.15p, against 5.12p.

Turnover for the first half, covering the period to March 28 1982 rose from £5.68m to £7.38m, an increase of 30 per cent. Tax took £310.000 (£110.000), leaving the net balance at £366.000 (£75.000).

The group's financial printing subsidiary, Williams Lea and Co., produced an "excellent" profit on substantially increased turnover, and the business forms company, Multi-sets, continued to achieve good results. The other group companies are trading satisfactorily in marginally improved market conditions.

The group's shares are not quoted.

CHANGE WARES

The directors of Change Wares, the loss-making manufacturer of wiremesh shelving and wire-based components, are engaged in discussions regarding an important acquisition.

Publication of the accounts, which will indicate further substantial losses, is delayed pending the outcome of these discussions which also involve the company's bankers.

The company says that once discussions are concluded, a comprehensive announcement will be made.

Williams Lea up to £0.7m

FIRST HALF profits before tax of Williams Lea Group, printer, expanded sharply from £185.000 to £686.000, continuing the improved performance achieved in the second six months of the previous year.

Turnover for the first half, covering the period to March 28 1982 rose from £5.68m to £7.38m, an increase of 30 per cent. Tax took £310.000 (£110.000), leaving the net balance at £366.000 (£75.000).

The group's financial printing subsidiary, Williams Lea and Co., produced an "excellent" profit on substantially increased turnover, and the business forms company, Multi-sets, continued to achieve good results. The other group companies are trading satisfactorily in marginally improved market conditions.

The group's shares are not quoted.

INTERIM REPORT

Unaudited Results for the 26 weeks ended 28 March 1982

	26 weeks	26 weeks	26 weeks
	28.3.82	29.3.81	27.3.81
Turnover	£1,642	£1,705	£2,121
Trading profit	65		

Companies and Markets

UK COMPANY NEWS

FNFC falls £3m at interim stage

WITH each division suffering a downward taxable profit, First National Finance Corporation showed a £3m shortfall in the half year to April 30 1982. This left the result at £4.68m, compared with £7.88m for the corresponding period and £6.61m for the last full year.

Prior to April 6 1982 when a reorganisation took place, the cost of holding the investment was borne by the lending and property division. It is now borne by First National Securities (Holdings).

Exceptional costs of £290,000 refer to reorganisation expenses including capital duty on increases in the share capital of subsidiaries. They were

charged in arriving at pre-tax profits.

There was a tax credit of £23,000 (£51,000 charge) for the six months, leaving net profits at £4.71m (£7.63m) which reflects the company's net deficiency from shareholders to £5.37m (£11.05m at October 31 1981). Earnings per 10p share fell to 3.8p (6.2p).

The contribution from lending and property dropped from £1.8m to £1.5m and the directors say that as profits from this division continue to fall, the company's cash position will deteriorate. Profits on the lending and property side are coming through in a patchy manner and some contracts now in the works might not reach the bottom line

to £3.22m before net expenditure of £320,000 by FNS, were affected by lower margins as a result of competitor pressure coupled with further provisions against losses on the continued weaker sales of the vehicle finance market. However, the directors expect the second half result to show an improvement over that of the first.

• comment

FNFC's wounds are still knitting, but they are more slowly than expected. Profits on the lending and property side are coming through in a patchy manner and some contracts now in the works might not reach the bottom line

Anglia TV climbs £0.4m at six months

FOLLOWING THE chairman's prediction in April of bright prospects, Anglia Television Group reports pre-tax profits up from £2.41m to £2.81m for the six months to April 30 1982, on turnover of £20.46m, compared with £16.91m.

The interim dividend is being stepped up from 2.2p to 2.5p per 25p share—last year payments totalled 6p and pre-tax profits came to £4.71m (£4.66m). Stated earnings per share were down from 11.02p to 10.15p, after a higher tax charge of £1.5m (10.99m).

The company explains that because of the possible withdrawal of 100 per cent capital allowances on certain programme expenditure and a lower forecast level of capital expenditure after completion of the Anglia House development, the effective rate of tax anticipated for the current

year is substantially higher than that incurred for the year ended October 31 1981.

Proposals were announced in the budget earlier this year which could withdraw capital allowances on certain production expenditure. Draft clauses have been published, which indicate that transitional provisions will be available extending the benefit of capital allowances for the two years ending March 31 1984.

The proposals as drafted will result in an increased level of tax. These proposals are not yet law and may be modified. But if the proposals are enacted and there is no extension of the transitional provisions, a liability to corporation tax of about £1.5m will arise in the years up to and including the 12 months ended October 31 1981. Of this

prospective liability, £225,000 had been provided as deferred tax at October 31 1981.

The mid-year pre-tax profits were after charging Channel 4 subscription of £80,000 (nil) and Exchequer levy of £313,000 (£1.35m), but included associated contributions of £223,000.

An extraordinary credit of £220,000 this time comprised profits on the disposal of certain investments by an associated company.

• comment

Anglia's interim figures will not threaten its premium rating in the television contracting sector. In spite of earlier fears that TV profits would be squeezed by thin advertising demand and the cost of financing Channel Four, profits have actually risen by

16.8 per cent. Advertising revenue rose by 18 per cent in the period; and Anglia claims to be winning market share in its region, at the expense of other advertising media. And there has been no change in the overall cash requirement for Channel Four, thanks to a sharp offsetting fall in the existing levy. The new channel will not only be almost costless for Anglia, but could prove an important market for the company's quality TV programmes. However, the screen is not completely clear. Under proposals in the last budget the company could find itself forced to pay out £1.8m in crystallised corporation tax, as it loses investment allowances created by programme-making in past years. The shares rose 2p to close at 123p and yield 7.7 per cent.

In the dyeing division, big losses were incurred on commission processing of warp and weft knitted fabrics. However, its expertise in processing garments and specialty laces enabled it to date satisfactorily in difficult conditions, and its conversion company, Hicking Pentecost Fabrics, contributed a useful profit in its first year.

The concentration of the fabric department at one factory has been completed, and the substantial costs of this are shown as an extraordinary debit of £152,000 (£3,000 credit). This reorganisation, increasing versatility while reducing fixed overhead costs, is starting to show benefits, the chairman says.

Trading profit was £40,000 down from £512,000. Interest payments took £239,000 (£204,000), and tax £31,000 (£125,000). A retained deficit of £94,000 compares with a £28,000 profit.

On a current cost basis, a pre-tax loss of £169,000 was recorded, although trading conditions

Petbow back in profit: dividend restored

AS EXPECTED, Petbow Holdings returned to the black for the 12 months to March 31 1982 and is restoring ordinary dividends after an absence of two-and-a-half years.

At the pre-tax level profits emerged at £15,000, compared with a previous deficit of £948,000, on turnover £1.69m higher at £25.95m.

The group, which makes generating and welding sets, had already reduced its losses from £552,000 to £82,000 by the midway stage and in his interim statement Mr James Bird, the chairman, said he expected an overall profit for the full year so that he hoped for a return to the dividend lists.

In recommending a payment of 1p net for the year he says there are grounds for believing that the improvement will continue in the coming year and that on the basis of current trends, a return to regular interim and final dividends is anticipated.

Mr Bird says the group made significant progress over the year and that the results reflect a continuation of the recovery programme, of eradicating operating losses, utilising production resources, improving marketing position and returning to a pattern of growth.

He points out that although sales were a record after two poor years, this was achieved at the expense of some profit margin.

The loss for the year took £41,000 (£611,000 credit) leaving an attributable profit of £134,000 (£337,000 loss).

Stated earnings per 10p share were 0.17p (3.35p loss). On a CCA basis there was a pre-tax loss of £664,000 (£1.69m).

Boustead plc

Boustead plc is an international trading group with activities including engineering, manufacturing, marketing and distribution, commodity broking and a range of management and specialist services.

The Group's extensive trading experience enables it to employ its management and financial resources to the fullest, in identifying opportunities for internal growth and broadening its base through acquisitions.

The Group's centres of operation are in the United Kingdom, Singapore and Australasia, through which it has interests in other areas, including Europe, Hong Kong and the United States of America.

EXTRACTS FROM THE CHAIRMAN'S STATEMENT

• The continuing difficult trading conditions result from worldwide recession. There are hopeful signs however in certain areas of our business.

• In the UK there was a substantial improvement in the second half of the year from all our companies and in particular from specialist manufacturer King Trailers. Metal and soft commodity operations did well.

• The Boustead Singapore Group recorded an overall reduction of 31%, this being principally due to the Australian subsidiary.

• Our Singapore trading and shipping subsidiaries achieved encouraging results in the face of increasing competition.

• Our last remaining estate in Malaysia, Taiping Plantation was sold, the proceeds largely placed on deposit in the UK with a consequent improvement in investment income.

FINANCIAL HIGHLIGHTS

	1981 £'000	1980 £'000
Turnover	44,446	38,225
Profit before taxation	1,421	2,137
Profit attributable to shareholders	961	649
Shareholders' equity	12,245	10,775
Earnings per share:		
Net basis	1.32p	2.22p
Nil basis	1.32p	2.77p
Dividend payable	1.25p	1.25p
Dividend cover (times)	1.0	1.8
Return on average capital employed(%)	8.0	14.3
Net tangible assets per share	52.8p	44.2p



A copy of the annual report can be obtained from The Secretary, Boustead plc, 14/15 Conduit Street, London W1R 9TG.

NATIONAL EMPLOYERS LIFE GROUP OF COMPANIES**Points from the Statement by the Chairman Mr. W.H. Conroy**

In a difficult trading year the NEL Group has more than held its ground and in a number of areas made considerable progress.

- Long term funds — now exceed £200 million
- Premium income — up 17.5%
- Investment income — 22% increase
- Reversionary bonus — raised to £4.50%

The Board expresses its appreciation to NEL brokers and agents for their valuable support, which has made what might have been a very difficult year one of solid progress.

Copies of the Report and Accounts are available on request from the

Head Office, National Employers Life Assurance Company Limited, Milton Court, Dorking, Surrey RH4 3LZ.

**FTB have identified 14 guidelines to help you improve your financial communications.**

Phone Alex Hurst, FTB's Chief Executive, on

01-405 8733

and make an appointment to see our unique 60 minute presentation.

Foster Turner & Benson Advertising Ltd
Chancery House, Chancery Lane, London WC2A 1QU

PRIVREDNA BANKA ZAGREB**FLOATING RATE NOTES DUE 1986**

In accordance with the conditions of the Notes, notice is hereby given that for the six-month period June 24th 1982 to December 24th 1982 (183 days) the Notes will carry an interest rate of 17.4%.

Relevant interest payments will be as follows:

Notes of US\$1,000 US\$87.69 per coupon

CREDIT LYONNAIS (London Branch)

Agent Bank



Scandinavian Finance B.V.
(Incorporated in the Netherlands with limited liability)

£20,000,000

Sterling Floating Rate Notes 1990

Guaranteed on a subordinated basis by

Scandinavian Bank Limited

(Incorporated in Great Britain with limited liability)

For the three months

23rd June, 1982 to 23rd September,

1982

In accordance with the provisions of the Note, notice is hereby given that the rate of interest has been fixed at 13% per cent and that the interest payable on the relevant interest payment date, 23rd September, 1982 against Coupon No. 3 will be £33.87.

Agent Bank

Morgan Guaranty Trust Company

London

Powell Duffryn

Group results for the year ended 31st March 1982

	1982 £'000	1981 £'000
Turnover	586,584	511,859
Trading profit	19,138	18,834
Profit before taxation	12,505	14,005
Profit after taxation	10,009	11,517
Profit attributable to ordinary shareholders	9,461	10,655
Earnings per share	31.8p	36.8p
Dividends per share	14.25p	14.25p

Powell Duffryn is an industrial holding company with subsidiaries engaged in engineering, distribution and transportation, principally related to the energy, shipping, chemical and construction industries.

TECHNOLOGY

EDITED BY ALAN CANE

Soviets take the lead with pipeline welding methods

President Reagan may have closed the technology door on the Soviet Union but as far as the Siberia to Europe gas pipeline is concerned it rather looks as though the Soviet horse has bolted. TOM SEALY reports.

FAR from halting the construction of the Soviet gas pipeline from Urengoy in Siberia to Western Europe, President Reagan's extended ban on U.S. gas technology exports could well speed up the installation by forcing the Soviets to concentrate their own technology to produce the gas.

For, surprising as it may seem, even leading U.S. companies recognise the Soviets as world leaders in many aspects of energy technology.

Leaders

In the last few years the USSR has sold technology licences to such U.S. companies as Texas Utilities Services, Kaiser Aluminium and Chemical, Reynolds Aluminum, Alcoa, Olin, Martin, Vacuum Systems, Maxwell Laboratories, J. R. McDemott, Andover Toy Manufacturing, Allied Steel and Tractor and Reynolds.

The Soviets are also recognised world leaders in automotive pipeline welding technology and in large-diameter pipe construction in harsh terrain. Last year the Soviets completed one such pipeline, 2,731 km long in under 12 months largely using their own equipment. It took seven years to build the 1,300 km long Alaska pipeline.

The 4,630-km pipeline from Siberia to Europe is reportedly on schedule for completion before the 1984 target date.

The main items affected by the U.S. ban are the turbines needed for the pipeline compressor stations. To maintain the design throughput of 32bn cu m a year, gas has to be pumped through the 1.42-m diameter pipeline at a pressure of 75 atm. To maintain this requires a 75MW compressor station at every 100km of pipe length.

The Soviets ordered the compressor stations they needed from the West, specifying the

highly efficient General Electric (GE) turbine design. At approximately three turbines per station the total order was 125 turbines. The probability is that these will not now be able to be delivered.

But the Soviets do build gas compressor stations themselves. These are of an inferior design, employing eight 10MW turbines instead of three 25MW units as in the GE design. But they are available for installation by diversion from other pipeline projects.

More importantly, the Soviets now claim to have developed a new generation of modular compressor stations employing three Soviet made 25MW turbines. The first three stations are already in trial operation and are claimed to be 1.5 per cent more efficient than GE's.

But the Soviets are not just copying the western technology they already have. The Paton welding institute in Kiev, for

example, is selling Soviet licences and pipeline welding technology to companies all around the world including Japan and the U.S.

One of these companies, McDermott of New Orleans, received a group of Soviet specialists as recently as last April.

McDermott acquired a Soviet pipeline welding machine under licence in 1979, and is now attempting, with Soviet help, to redesign the machine for narrow diameter pipelines in marine applications.

Superior

According to Don Sprow, McDermott's welding and metallurgy manager the Soviet technology is "impressive" and "definitely superior to any similar equipment on the international market".

In the USSR about 40 per cent of all pipeline joints are welded automatically. The latest development, Sever-1, can link 6-8 joints in a 1.42-m diameter pipeline in just one hour in a completely automatic process. It is claimed that no similar machine is available in the West.

The Soviets also appear to

have made a breakthrough in gas cooling units. The first of a new design has now been installed at the Urengoy gas field in Siberia.

Unique

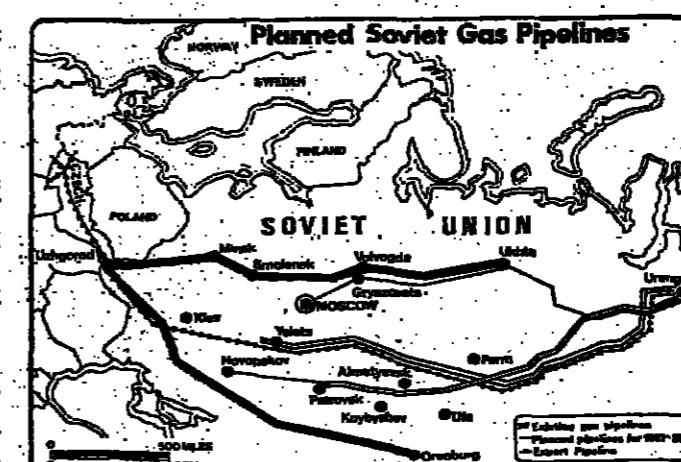
It operates like a domestic refrigerator but the freezer section is replaced by a five-storey high evaporator. The gas is cooled by a propane-butane mixture and circulated by a turbo-compressor driven by Soviet jet aircraft engines.

On the pipeline side, the Soviets have developed a unique pipe design to cut their dependence on imports. It is a multi-layered 1.42-m diameter pipe which can withstand an operating pressure of 100-120 atm.

With the same compressor station spacing and capacity, but with the gas pumped at 100 atm instead of 75 atm the capacity of the pipe is increased by one-third thus saving a similar amount on the amount of pipe imported from the West.

Current Soviet output of the new pipe is 250,000 t/year and is planned to rise to 1m tonnes/year by 1985.

These advances in Soviet technology do not mean that



western equipment is not needed or that the U.S. sanctions will be totally without effect. The problem, however, lies not so much in technology as in the sheer quantity of equipment needed.

By 1985 the USSR plans to build 20,000 km of 1.42-m diameter pipelines from Urengoy requiring some 16m tonnes of pipe, 232 compressor stations, and hundreds of pipe-layers, trenching machines, welding rigs, portable housing units and other equipment.

If the U.S. ban continues and

DALE
GENERATING SETS.
For prime power,
standby and the
construction industry.
DaleElectric of Great Britain Ltd.,
Beechley Buildings, Hwy,
Woking, Surrey GU1 5PL, U.K.
Tel: 0722-51447 Telex 80022

Cutting cable costs

A SYSTEM called Mercury from Burgess Energy Systems, Stafford, allows switching control signals to be sent over mains wiring, thus cutting out cable installation costs.

It consists of a transmitter and a number of receivers. The transmitter sends "on" or "off" signals along the existing mains cables while receivers, connected at the points of electrical loading, accept addressed signals to switch the loads accordingly. Up to 48 channels can be accommodated.

Mercury transmitters can be used on three phase or single phase lines while the receivers are single phase and able to switch up to 15 amperes. More on 0785 47224.

CATS (not feline) follow CAD and CAM on shopfloor

AFTER CAD, CAM and CAE—computed aided design, manufacture and engineering respectively, we now seem to have CATS.

No feline problems on the shop floor are denoted. CATS stands for computer aided time standards and the subject is work measurement, the process by which production management arrive at work content for payment purposes.

Streamlined

At one time this was a matter of time study men standing over operators with stopwatches. In the 1950s MTA methods time measurement came into use, a system in which standard motion elements of the body were assembled appropriately to match the operator's skill.

H. B. Maynard, the U.S.-based consultants, were behind MTA and its development MOST (Maynard Operation Sequence Technique), which greatly streamlined the rather tedious measurement and analysis procedure from about 1975. MOST concentrates not on minute motions of the human body, but on the single common denominator of all manual work—the displacement of objects.

Patterns of movement arranged as a sequence of events are statistically modelled and time indexed from a MOST data table, eventually arriving at a task time standard for a 100 per cent performance by an average employee. MOST is about 40 times faster than MTA.

Now, even this reduced

documentation has been automated with software that can be run on the DEC PDP-11, VAX and on IBM hardware, with disk storage depending on the amount of application data to be stored.

All the engineer has to do is enter relevant workplace and method information in plain language sentences or words. The computer then performs all the necessary calculations, drawing on any part of its database and on any similar production processes already dealt with and stored.

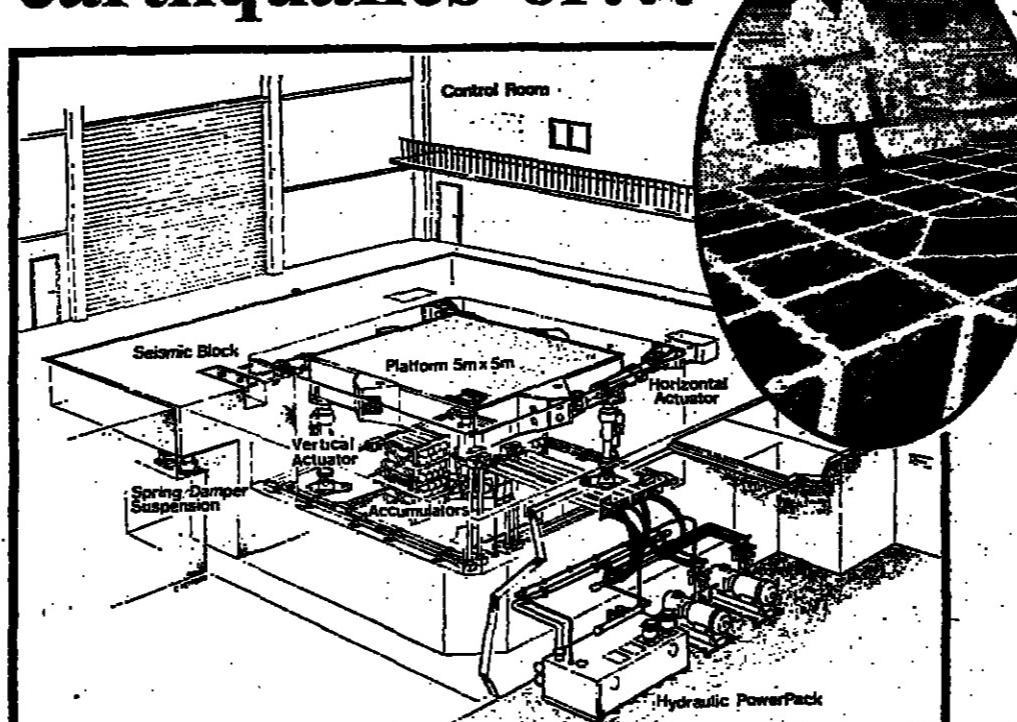
Alternative simulations may be made, based on alternative locations, distances, body motions or fixed process times, or on different production methods. In this way the engineer can become the interpreter of alternative results without all the rigours of carrying out all the calculations himself.

An associated word processing program allows documentation to be produced and updated with equal ease. In addition, the resulting time standards can easily be linked into the company's mainframe computer for payroll, production control and similar purposes.

There are already several installations of the system, called Computer-MOST in the U.S., Belgium, Sweden and France.

The typical cost of a system including maintenance is about £1,250 per month (running on a DEC machine) or £2,000 on an IBM mainframe. More from H. B. Maynard, 7 Appletree Yard, London SW1 6LD (01-536 1851).

GC



The Derritron earthquake simulator showing how the platform carrying test object is moved by two pairs of actuators in the horizontal plane, with vertical actuators at each corner. Many kinds of motions can be applied to the platform and the whole is mounted on a massive concrete system for functionally testing the riser tensioners on tension leg platforms (TLP), a technology that is being applied commercially for the first time in the North Sea Hutton Field by Conoco and its partners.

four corners by steel members which pull down against buoyancy. The platform however, is still subject to side-

ways motion or other than calm conditions and the oil riser pipes — there may be half a dozen or so — coming up into the platform's underside, have to be kept in proper tension.

Devices

For each pipe, quadruple hydraulic cylinders accommodate several metres of axial movement and changes of angle. It is these devices that will be exercised by the Derritron test rig, which allows for one rotational and three linear degrees of freedom of the platform via five servo-hydraulic actuators operating under digitally pro-

grammed analogue control. The programs used ensure that the actuators reproduce the movements and loading it would normally experience during its life in the North Sea. With the rig it is possible to increase the frequency of loadings to produce an accelerated life test.

Now, turning over £6m annually with a head count of 200, Derritron, in competition at the large scale end of the market with companies like MTS of Minneapolis, Carl Schenck in Germany and GEC, says it expects "further substantial business as a result of these two successful projects."

This announcement appears as a means of record only.

Koninklijke Nedlloyd Groep N.V.

US\$ 100,000,000 Multicurrency Revolving Term Facility

Provided by

Algemene Bank Nederland N.V.

Banque Nationale de Paris

The Bank of Tokyo (Holland) N.V.

Barclays Bank International Limited

Canadian Imperial Bank Group

Manufacturers Hanover Trust Company

Midland Bank plc

The Chase Manhattan Bank, N.A.

Mees & Hope Finanzgesellschaft A.G.

Morgan Guaranty Trust Company of New York

Agent Bank

Algemene Bank Nederland N.V.

Everything seems to be pulling against you.
High rates of interest.
Heavy rents and rates.
Lack of space to develop.
Before you fall over, come to Cwmbran.

So successful is business in our bustling new town, we've had to expand—creating yet another industrial development.

Llantramm Park.

We've factory units from 750 sq.ft. to 12,000 sq.ft. and larger. Serviced sites are also available. And we've a package of grants and incentives that will give you relief from today's financial pressures.

As any business here will tell you, Cwmbran is a great place to get things done—and a beautiful place to live. There's a large and enthusiastic skilled workforce. And we're close to major roads, rail links, docks and airport. For more information, send us the coupon today.

To: R. W. Howlett, Managing Director, Cwmbran Development Corporation, Gwent House, Town Centre, Cwmbran, Gwent NP4 1XZ. Tel: Cwmbran 67777. See Prestel page *351905.

Please send me your industrial information pack, and details of the grants and incentives you can give me.

FT 33

Name _____

Position _____

Company _____

Address _____



To: R. W. Howlett, Managing Director, Cwmbran Development Corporation, Gwent House, Town Centre, Cwmbran, Gwent NP4 1XZ. Tel: Cwmbran 67777. See Prestel page *351905.

Please send me your industrial information pack, and details of the grants and incentives you can give me.

FT 33

Name _____

Position _____

Company _____

Address _____

As any business here will tell you, Cwmbran is a great place to get things done—and a beautiful place to live. There's a large and enthusiastic skilled workforce. And we're close to major roads, rail links, docks and airport. For more information, send us the coupon today.

Japanese to stockpile rare metals

TOKYO—The Government is drawing up a plan to establish a two-month stockpile of 13 rare metals to limit Japan's vulnerability to interruptions in supplies. The Natural Resources and Energy Agency said yesterday.

The project, contingent on government budget plans, would involve official stockpiling for the first time of chrome, nickel, cobalt, tungsten, molybdenum, manganese, platinum, molybdenum, palladium, tantalum, strontium, antimony and vanadium.

The plan will be introduced next April and will cost about Y120bn (\$470m), the agency said.

A report published last April for the Minister for International Trade and Industry said a 30 per cent cut in supplies of nickel or chromium ore to Japan in a 12-month period would significantly depress the nation's gross national product. Reuter

Hopes for alloy to replace gold in connectors

WILMINGTON, Delaware—DuPont company said it has completed development of a palladium alloy plating which holds the promise of replacing gold in most high-performance electronic connectors.

Gold represents 30 to 30 per cent of the manufacturing costs associated with these connectors, DuPont said.

During 1982, the worldwide connector industry is expected to use more than 800,000 troy ounces of gold, valued at about \$250m, it added.

DuPont said the new electroplating process would provide connectors that would be highly competitive in quality and provide cost advantages over gold-plated connectors.

It noted that palladium costs about \$70 a troy ounce, 75 per cent less than gold, while connector products also require less palladium alloy than gold plating.

This autumn its Berg Electronics division will begin market testing pin and post connectors plated with the new alloy. Reuter

New tin pact confirmed

BY BRUJ KHINDARIA IN GENEVA

THE SIXTH International Tin Agreement will come into force provisionally starting July 1 for a period of five years, it was confirmed at talks in Geneva yesterday among 19 tin-producing and consuming countries.

This means that the buffer stock of the International Tin Council, which is currently supporting the market to prevent prices falling below the Tin Agreement "floor" level, will continue in operation when the existing pact expires on June 30.

It is also expected that the new Tin Council will introduce far stronger export controls, possibly leading to a 40 per cent cut in supplies.

The agreement comes into force only provisionally, since consumer membership is well below the 65 per cent needed for full application. Its operations will be reviewed after 18 months to see whether the pact can be enforced definitely.

Definitive application, under the terms agreed last year would involve a buffer stock of up to 50,000 tonnes. But in

TIN prices rose sharply on the London Metal Exchange yesterday following the news that the Geneva meeting had agreed to the provisional adoption of the new International Tin Agreement, effective from July 1. Cash tin closed \$265 up at \$6,410 a tonne.

The three-month quotation was \$267.5 higher at \$6,512.5 a tonne, after reaching a peak of \$6,700 at one stage. Traders said trading activity was thin, with the main business coming from "short" covering of previous sales.

the meantime a smaller, less costly, stock may be decided upon at the discretion of the Tin Council.

The U.S., the world's largest consumer, has refused to join. So has Bolivia, the fourth biggest producer.

The association need not be incompatible with the agreement's aims, he added, citing as an example the harmonious functioning of the cocoa producers association alongside the International Cocoa Agreement.

tions in practice.

India said it would soon ratify the agreement, but the Soviet Union has remained silent.

The decision to go ahead with provisional application of the new agreement came in spite of concern among some consuming countries about the formation of a separate Tin Producers Association, announced by Malaysia, Indonesia and Thailand earlier this week.

Details of the association's establishment have not yet been worked out among producers, but officials said it would not attempt to fix prices. Malaysia, agreed to allow the new agreement operation only after other producers agreed to create the association.

Mr Peter Lai, who chaired the Geneva talks, told a Press conference afterwards that the producers' action "has nothing to do with the sixth agreement."

The association need not be incompatible with the agreement's aims, he added, citing as an example the harmonious functioning of the cocoa producers association alongside the International Cocoa Agreement.

Sugar back over £100

By Terry Povey

THE EEC yesterday authorised the sale of 34,250 tonnes of new series white sugar at a maximum rebate of 29.06 European currency units at its regular weekly tender. The low level of the rebate is being taken as an indication of the Commission's reluctance to sell at this time.

At this level the rebate is the equivalent of \$245 per tonne and as with last week fails to bridge the gap between world prices and those of the Community. The fact that there were buyers at this level suggests an expectation on the market of further price rises.

On the London futures market yesterday, the daily price was set at £104 up 25 on Tuesday. Selling by two major trading houses saw the rate of rise from the previous day's level not being maintained. However, covering purchases against sales were also a feature. At the close, October futures were trading at 20.90 above Tuesday's close.

Coconut disease in Philippines

A COCONUT disease, which dries up trees within days, has devastated a great portion of the crop on the central Philippine island of Mindoro.

The disease, called "Socorro wilt," because it started at Socorro town in Mindoro, has spread to the islands of Palawan and Cebu. The Agriculture Ministry said that plant protection teams had been sent to Palawan and Cebu to impose a "coconut blockade" banning the movement of coconut products from the islands.

Coconuts are Mindoro's major crop and there are about 1.5m trees on the island which produced \$3.2m worth of copra (dried coconut meat) last year.

The ministry said that since experts are still determining the cause of the disease, they are having difficulty controlling it.

The ministry is thinking of banning the entry into the Philippines of coconuts from certain Caribbean and West African countries affected with the yellowing disease.

The countries include Jamaica, Santo Domingo, Haiti, Dominican Republic, Togo, Cameroon and Ghana.

Reuter

MARKET PROFILE: COCOA

Surplus still a problem

BY TERRY POVEY

WORLDWIDE recession has combined with continuing oversupply to push cocoa prices in London well below \$200 per tonne. In real terms prices are now comparable with the depressed levels of the early 1970s.

Over the last five years cocoa production has grown by an average of 80,000 tonnes per year to reach an estimated total of 1.71m tonnes for 1981/82. Consumption, measured by annual grindings, has been growing at half this rate to reach 1.69m tonnes and as a result stocks have shot up from around 100,000-110,000 tonnes over the past 20 years.

In all these countries there has been increased competition from substitutes, with cocoa reduced to just a flavouring element. Greater long term competition from substitutes, especially if cocoa prices rise, can be expected.

In the Eastern bloc cocoa consumption has been erratic. Inevitably it is classed as a luxury and when foreign currency is short it is cut. The USSR, the third largest consumer over the five years to 1980, has for these reasons seen its imports of cocoa range from a high of 189,000 tonnes in 1975 to a low of 83,000 in 1977/78.

Of the other three major producers, Cameroon (about 110,000-120,000 tonnes) and Ecuador (67,000-85,000 tonnes) have had static production levels over the past decade. The third, Nigeria, has experienced a fall from 255,000 tonnes in 1971/72 to a current level of 175,000 tonnes.

Outside of these six, Malaysia appears to be making significant increases, which analysts believe could reach 85,000-90,000 tonnes by the mid 1980s about double its present level.

According to ICCO figures consumption patterns over the past 10 years have been remarkably stable, total grindings for 1982 rising only to an estimated 1.62m tonnes from the 1.57m of 1973.

Saturation point may be being reached in the most developed states. The world's biggest single consumer, the U.S., in 1980 used almost exactly the same amount, around 310,000 tonnes, as in 1960. West Germany, the second largest has had an increase in line with the world's total as France, the fourth largest.

The danger of not taking such a course is that overproduction and low prices will lead to deteriorating trees and stocks on poorly maintained plantations. Mr Hackman agrees but argues that "any effort to bring sanity to the cocoa market has to be based on producer discipline and unfortunately there is not very much of this in evidence."

• Cocoa prices rose yesterday on the London futures market, encouraged by a report from Brazil that plans of producers to sell 80,000 tonnes of cocoa on deferred payment terms would be discussed at the next ICCO council meeting. The September position ended the day £20 up at £100.50 a tonne, to

£100.50 a tonne. The UK fifth largest market for cocoa has had a more-or-less static level of consumption at around 100,000-110,000 tonnes per year, a loan from the Saudi Al Firdaus Company for an undisclosed amount will also be considered.

Mr Kneif Hackman, ICCO's executive director, readily accepts that the buffer stock system alone cannot solve cocoa's problems" and hopes that at the organisation's July council meeting serious consideration will be given to "a package to deal with many of these."

If Ivory Coast can be persuaded to join a new agreement could combine export quotas and a sizeable buffer stock to give the needed price support in the short term. In the medium term, adjusting production levels down to what the market will bear is clearly necessary. Brazil at least seems to have recognised this fast and recently announced the cutting back of its 1982 production target from 700,000 tonnes to 550,000.

The danger of not taking such a course is that overproduction and low prices will lead to deteriorating trees and stocks on poorly maintained plantations. Mr Hackman agrees but argues that "any effort to bring sanity to the cocoa market has to be based on producer discipline and unfortunately there is not very much of this in evidence."

• Cocoa prices rose yesterday on the London futures market, encouraged by a report from Brazil that plans of producers to sell 80,000 tonnes of cocoa on deferred payment terms would be discussed at the next ICCO council meeting. The September position ended the day £20 up at £100.50 a tonne, to

£100.50 a tonne. The UK fifth largest market for cocoa has had a more-or-less static level of consumption at around 100,000-110,000 tonnes per year, a loan from the Saudi Al Firdaus Company for an undisclosed amount will also be considered.

Mr Kneif Hackman, ICCO's executive director, readily accepts that the buffer stock system alone cannot solve cocoa's problems" and hopes that at the organisation's July council meeting serious consideration will be given to "a package to deal with many of these."

If Ivory Coast can be persuaded to join a new agreement could combine export quotas and a sizeable buffer stock to give the needed price support in the short term. In the medium term, adjusting production levels down to what the market will bear is clearly necessary. Brazil at least seems to have recognised this fast and recently announced the cutting back of its 1982 production target from 700,000 tonnes to 550,000.

The danger of not taking such a course is that overproduction and low prices will lead to deteriorating trees and stocks on poorly maintained plantations. Mr Hackman agrees but argues that "any effort to bring sanity to the cocoa market has to be based on producer discipline and unfortunately there is not very much of this in evidence."

• Cocoa prices rose yesterday on the London futures market, encouraged by a report from Brazil that plans of producers to sell 80,000 tonnes of cocoa on deferred payment terms would be discussed at the next ICCO council meeting. The September position ended the day £20 up at £100.50 a tonne, to

£100.50 a tonne. The UK fifth largest market for cocoa has had a more-or-less static level of consumption at around 100,000-110,000 tonnes per year, a loan from the Saudi Al Firdaus Company for an undisclosed amount will also be considered.

Mr Kneif Hackman, ICCO's executive director, readily accepts that the buffer stock system alone cannot solve cocoa's problems" and hopes that at the organisation's July council meeting serious consideration will be given to "a package to deal with many of these."

If Ivory Coast can be persuaded to join a new agreement could combine export quotas and a sizeable buffer stock to give the needed price support in the short term. In the medium term, adjusting production levels down to what the market will bear is clearly necessary. Brazil at least seems to have recognised this fast and recently announced the cutting back of its 1982 production target from 700,000 tonnes to 550,000.

The danger of not taking such a course is that overproduction and low prices will lead to deteriorating trees and stocks on poorly maintained plantations. Mr Hackman agrees but argues that "any effort to bring sanity to the cocoa market has to be based on producer discipline and unfortunately there is not very much of this in evidence."

• Cocoa prices rose yesterday on the London futures market, encouraged by a report from Brazil that plans of producers to sell 80,000 tonnes of cocoa on deferred payment terms would be discussed at the next ICCO council meeting. The September position ended the day £20 up at £100.50 a tonne, to

£100.50 a tonne. The UK fifth largest market for cocoa has had a more-or-less static level of consumption at around 100,000-110,000 tonnes per year, a loan from the Saudi Al Firdaus Company for an undisclosed amount will also be considered.

Mr Kneif Hackman, ICCO's executive director, readily accepts that the buffer stock system alone cannot solve cocoa's problems" and hopes that at the organisation's July council meeting serious consideration will be given to "a package to deal with many of these."

If Ivory Coast can be persuaded to join a new agreement could combine export quotas and a sizeable buffer stock to give the needed price support in the short term. In the medium term, adjusting production levels down to what the market will bear is clearly necessary. Brazil at least seems to have recognised this fast and recently announced the cutting back of its 1982 production target from 700,000 tonnes to 550,000.

The danger of not taking such a course is that overproduction and low prices will lead to deteriorating trees and stocks on poorly maintained plantations. Mr Hackman agrees but argues that "any effort to bring sanity to the cocoa market has to be based on producer discipline and unfortunately there is not very much of this in evidence."

• Cocoa prices rose yesterday on the London futures market, encouraged by a report from Brazil that plans of producers to sell 80,000 tonnes of cocoa on deferred payment terms would be discussed at the next ICCO council meeting. The September position ended the day £20 up at £100.50 a tonne, to

£100.50 a tonne. The UK fifth largest market for cocoa has had a more-or-less static level of consumption at around 100,000-110,000 tonnes per year, a loan from the Saudi Al Firdaus Company for an undisclosed amount will also be considered.

Mr Kneif Hackman, ICCO's executive director, readily accepts that the buffer stock system alone cannot solve cocoa's problems" and hopes that at the organisation's July council meeting serious consideration will be given to "a package to deal with many of these."

If Ivory Coast can be persuaded to join a new agreement could combine export quotas and a sizeable buffer stock to give the needed price support in the short term. In the medium term, adjusting production levels down to what the market will bear is clearly necessary. Brazil at least seems to have recognised this fast and recently announced the cutting back of its 1982 production target from 700,000 tonnes to 550,000.

The danger of not taking such a course is that overproduction and low prices will lead to deteriorating trees and stocks on poorly maintained plantations. Mr Hackman agrees but argues that "any effort to bring sanity to the cocoa market has to be based on producer discipline and unfortunately there is not very much of this in evidence."

• Cocoa prices rose yesterday on the London futures market, encouraged by a report from Brazil that plans of producers to sell 80,000 tonnes of cocoa on deferred payment terms would be discussed at the next ICCO council meeting. The September position ended the day £20 up at £100.50 a tonne, to

£100.50 a tonne. The UK fifth largest market for cocoa has had a more-or-less static level of consumption at around 100,000-110,000 tonnes per year, a loan from the Saudi Al Firdaus Company for an undisclosed amount will also be considered.

Mr Kneif Hackman, ICCO's executive director, readily accepts that the buffer stock system alone cannot solve cocoa's problems" and hopes that at the organisation's July council meeting serious consideration will be given to "a package to deal with many of these."

If Ivory Coast can be persuaded to join a new agreement could combine export quotas and a sizeable buffer stock to give the needed price support in the short term. In the medium term, adjusting production levels down to what the market will bear is clearly necessary. Brazil at least seems to have recognised this fast and recently announced the cutting back of its 1982 production target from 700,000 tonnes to 550,000.

The danger of not taking such a course is that overproduction and low prices will lead to deteriorating trees and stocks on poorly maintained plantations. Mr Hackman agrees but argues that "any effort to bring sanity to the cocoa market has to be based on producer discipline and unfortunately there is not very much of this in evidence."

• Cocoa prices rose yesterday on the London futures market, encouraged by a report from Brazil that plans of producers to sell 80,000 tonnes of cocoa on deferred payment terms would be discussed at the next ICCO council meeting. The September position ended the day £20 up at £100.50 a tonne, to

£100.50 a tonne. The UK fifth largest market for cocoa has had a more-or-less static level of consumption at around 100,000-110,000 tonnes per year, a loan from the Saudi Al Firdaus Company for an undisclosed amount will also be considered.

Mr Kneif Hackman, ICCO's executive director, readily accepts that the buffer stock system alone cannot solve cocoa's problems" and hopes that at the organisation's July council meeting serious consideration will be given to "a package to deal with many of these."

If Ivory Coast can be persuaded to join a new agreement could combine export quotas and a sizeable buffer stock to give the needed price support in the short term. In the medium term, adjusting production levels down to what the market will bear is clearly necessary. Brazil at least seems to have recognised this fast and recently announced the cutting back of its 1982 production target from 700,000 tonnes to 550,000.

The danger of not taking such a course is that overproduction and low prices will lead to deteriorating trees and stocks on poorly maintained plantations. Mr Hackman agrees but argues that "any effort to bring sanity to the cocoa market has to be based on producer discipline and unfortunately there is not very much of this in evidence."

• Cocoa prices rose yesterday on the London futures market, encouraged by a report from Brazil that plans of producers to sell 80,000 tonnes of cocoa on deferred payment terms would be discussed at the next ICCO council meeting. The September position ended the day £20 up at £100.50 a tonne, to

£100.50 a tonne. The UK fifth largest market for cocoa has had a more-or-less static level of consumption at around 100,000-110,000 tonnes per year, a loan from the Saudi Al Firdaus Company for an undisclosed amount will also be considered.

Mr Kneif Hackman, ICCO's executive director, readily accepts that

This announcement appears as a matter of record only.

June 1982

**TOKYO SANYO ELECTRIC CO., LTD.**

(Tokyo Sanyo Denki Kabushiki Kaisha)

U.S. \$50,000,000

11½ per cent. Guaranteed Bonds due 1987
with
Warrantsto Subscribe Shares of Common Stock of
TOKYO SANYO ELECTRIC CO., LTD.

Payment of principal and interest being unconditionally and irrevocably guaranteed by

THE SUMITOMO BANK, LIMITED

ISSUE PRICE 100 PER CENT

Daiwa Europe Limited**Yamachi International (Europe) Limited****Credit Lyonnais****Robert Fleming & Co. Limited****Kuwait International Investment Co.s.s.k.****J. Henry Schroder Wag & Co. Limited****Sumitomo Finance International**

Bancarel Gotthard Bank Mees & Hope NV Bank of Tokyo International Limited Banquedene Nefifze, Schlumberger, Mallet Cazenove & Co. (Overseas) Dai-Ichi Securities Co., Ltd. Kyowa Bank Nederland N.V. LTCB International Limited Mitsubishi Bank (Europe) S.A. New Japan Securities Europe Limited The Nikko Securities Co., (Europe) Ltd. Nomura International Limited Pictet International Ltd. Pierson, Heldring & Pierson N.V. Saitama Bank (Europe) S.A. Sumitomo Trust International Limited The Taiyo Kobe Bank (Luxembourg) S.A. Tokai Kyowa Morgan Grenfell Limited

Citicorp International Group**Algemene Bank Nederland N.V.****Dresdner Bank Aktiengesellschaft****Kleinwort, Benson Limited****Morgan Stanley International****Société Générale****Swiss Bank Corporation International Limited**

Weekly net asset value

**Tokyo Pacific Holdings (Seaboard) N.V.**

on June 21st 1982, U.S.\$51.83

Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson N.V., Herengracht 214, 1016 BS Amsterdam.

VONTobel Eurobond Indices

PRICE INDEX	145.76 = 100%	AVERAGE YIELD	22.6.82	15.5.82
DM Bonds	94.84	95.43	DM Bonds	11.409
HFL Bonds & Notes	97.73	95.03	HFL Bonds & Notes	10.346
U.S. 5 Strt. Bonds	98.20	98.00	U.S. 5 Strt. Bonds	12.420
Can. Dollar Bonds	90.57	91.02	Can. Dollar Bonds	11.821
				12.805

Ceat to restructure as losses mount

By Rupert Cornwell in Rome

CEAT, the second Italian tyre and cable group after Pirelli, has announced 1981 figures which confirm its serious position. Cear SpA, the holding company, incurred a total loss of L31.4bn (\$22m), against L3.6bn. The tyre division alone showed a 1981 deficit of L22bn.

The Turin-based group has launched a sweeping financial reorganisation, which it hopes will put its affairs on a sounder footing.

Cear SpA will be merged with Sofi, the holding company owned by the Tedeschi family who control the group. The new holding company will continue to be called Cear SpA, but will acquire 97 per cent control of Cear International, responsible for the group's profitable overseas operations.

Cear tyre sales in Italy dropped by 4 per cent last year to L124bn, while turnover of the cable activities rose to L187bn from L158bn in 1980. On the international side, however, sales jumped by 35 per cent to L1,150bn (\$823m), and profits reached SwFr 9.5m (\$4.5m).

The group's expanding foreign business reflects a growing emphasis on cable manufacturing. But within Italy, Cear has been hard hit by declining orders and slow payments from public sector clients, notably ENEL, the electricity utility. Total debts of Cear SpA had reached L150bn by the end of 1981, of which L120bn were short-term.

The company made the forecast while announcing an unchanged 20 per cent dividend for 1981, after raising net profit to DM 43m (\$3.75m) from DM 40m in 1980. It is adding DM 2.5m to reserves.

Holzmann underlines that its profit forecast for this year is

made on the condition that no major political or financial problems arise abroad to undermine its activities at home.

The point is particularly

apposite in view of the group's

heavy involvement in the

Middle East, particularly in

Saudi Arabia, where it won

orders worth about DM 2bn in

February this year alone.

Holzmann underlines that its

profit forecast for this year is

made on the condition that no

major political or financial

problems arise abroad to under-

mine its activities at home.

While building volume re-

mained about the same at home

(in nominal terms), it in-

creased by no less than 32 per

cent abroad by about 40 per

cent. Overall incoming orders

were up in the first five months

by 54 per cent to DM 4.1bn.

The 1981 business volume

rose by 22 per cent to DM 7.7bn

—a figure not likely to be

equalled this year.

INTL. COMPANIES & FINANCE**Krupp returns to profits as steel trading improves**

By JAMES BUCHAN IN ESSEN

KRUPP, the West German industrial group, has returned to profit in the first five months of this year as a result of higher sales on a better trading conditions in steel and shipbuilding.

For 1981 the group incurred a net loss of DM 37m (\$15m) on external sales of DM 14.8bn, a sharp deterioration from the 1980 net earnings of DM 9.1bn on external sales of DM 13.9bn.

The Turin-based group has launched a sweeping financial reorganisation, which it hopes will put its affairs on a sounder footing.

Cear SpA will be merged with Sofi, the holding company owned by the Tedeschi family who control the group. The new holding company will continue to be called Cear SpA, but will acquire 97 per cent control of Cear International, responsible for the group's profitable overseas operations.

Cear tyre sales in Italy dropped by 4 per cent last year to L124bn, while turnover of the cable activities rose to L187bn from L158bn in 1980. On the international side, however, sales jumped by 35 per cent to L1,150bn (\$823m), and profits reached SwFr 9.5m (\$4.5m).

The group's expanding foreign business reflects a growing emphasis on cable manufacturing. But within Italy, Cear has been hard hit by declining orders and slow payments from public sector clients, notably ENEL, the electricity utility. Total debts of Cear SpA had reached L150bn by the end of 1981, of which L120bn were short-term.

After seven successive loss-making years, Jernverk's long-term foreign currency debt stood at Nkr 970.8m at the end of 1981. The company is pessimistic about prospects, which "depend entirely on political half of this year showed no change on the same 1981 period.

However, margins on turnover

were up during the year, and in view of the depressed condition of the metal markets the company expects the results for 1982 to remain unsatisfactory.

Estel Hoesch's plans for a

full year profit.

Estel Hoesch's plans for a

**PAN-HOLDING
S.A.**
LUXEMBOURG

The Annual General Meeting of shareholders took place on June 1, 1982. The accounts for the year 1981 were approved.

The unconsolidated accounts show a net profit of U.S.\$ 12,914,371.90. After the transfer of the provision for contingencies of the net amount of various gains, i.e. U.S.\$ 8,705,045.56, there remains a net income of U.S.\$ 3,209,226.34.

The shareholders' meeting decided the distribution of the shares outstanding on June 30, 1982 after the close of the markets of a dividend of U.S.\$ 4.00 for the year 1981, an increase of 33.3% over the dividend of U.S.\$ 3.00 paid for 1980 (without taking into account the extraordinary dividend of U.S.\$ 1.50 paid in July 1981 for the 50th anniversary of the company).

This dividend of U.S.\$ 4.00, which is free of withholding tax in Luxembourg, will be payable as of July 1, 1982.

The chairman recalled that within a relatively unfavourable economic environment the net unconsolidated asset value per share as of December 31, 1981 was U.S.\$ 183.28, showing a decrease of 11.2% compared to December 31, 1980.

Following its tradition of diversification, geographical, monetary and by sectors, Pan-Holding has reinforced its stake in the Pacific Basin (17% of assets as of the end of 1981), while, globally, diminishing its investments in Europe, and keeping approximately its investments in the United States of America.

The shareholders' meeting ratified the co-operation to the board of directors of Mr. Frederick A. Klingenstein, chairman and chief executive officer of Wertheim & Co., New York, and of Mr. J. Richardson Dilworth, chairman of the Rockefeller Center Inc., New York.

The shareholders' meeting re-elected Mr. Rowland H. George, Drs Eijmer K. Den Bakker, Messrs Frederick A. Klingenstein, Roger Paluel-Marmont and Sir Ronald L. Prain.

An Extraordinary General Meeting took place following the ordinary meeting and approved the modification of several articles. None of the changes affect any basic point of the articles. For the most part they tend to either take into account imminent legislative changes or modify on details one or the other provisions to improve the functioning of the company or better define certain rights of shareholders.

As of May 31, 1982 the consolidated net asset value per share was U.S.\$ 165.11 versus U.S.\$ 187.59 as of December 31, 1981.

At the same date, the unconsolidated net asset value per share was U.S.\$ 162.06, a decline of 11.3% from December 31, 1981.

Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

Carrian and HK Land in HK\$1bn property venture

BY ROBERT COTTRELL IN HONG KONG

THE Hongkong Land Company and Carrian Investments have formed a joint-venture company into which Land will inject HK\$399.8m (US\$168m) worth of residential property assets. The move cements a growing friendship between Land, one of the world's largest property companies, and Carrian Investments, a fast-expanding conglomerate with property, shipping and insurance interests which is the quoted arm of the privately held Carrian Holdings.

Carrian will be paying HK\$499m for its half-share in the new joint-venture, Emlyn Investments, on an instalment basis through 1982 and 1983.

While the deal is a modest one for Land—it showed shareholders' funds of HK\$19.5bn at end 1981—it is a big one for Carrian, which showed shareholders' funds of HK\$2.45bn at the same time.

The properties which Land is injecting into the 50-50 joint-venture comprise 207 luxury flats in three units, all in the central Mid-levels residential district on Hong Kong Island.

Land said in its recent annual report that all of the 385 luxury apartments then in its residential rental portfolio were fully let with a substantial waiting list. Land also said that progressive de-controlling of Hongkong Electric Holdings.

books

FOR THE BUSINESSMAN

REGIONAL POLICY

'Bankrupt' initiatives indicated

Unequal Growth
by Stephen Fothergill and Graham Gudgin. Heinemann Educational, price £6.50, paper, £13.50 case.

BRITAIN'S regional policy, the most sophisticated and probably the most expensive in the world, has probably not created a single extra job for the assisted areas in recent years.

This is the rather shocking midstream conclusion of a book which is written not by a pair of stragglers from Sir Keith Joseph's non-interventionist bunker at the Department of Industry, but by two academics from Cambridge University who make plain their adherence to the "alternative" economic strategy of the left—import controls and reflation.

To be exact, Messrs Fothergill and Gudgin offer convincing evidence that between 1960 and 1973 the Government's policies of grants for business expansion in certain areas, combined with bouts of employment subsidy and planning laws to discourage industrial growth in the south, drove 250,000 jobs into the assisted areas.

But between 1973 and 1979 the authors can detect no evidence of continued success. In other words, six years before

Sir Keith reduced the scope of the assisted areas from covering over 40 per cent to only 25 per cent of the population, Britain's main regional policies were bankrupt.

One of the reasons for this stagnation, obviously, was the slowdown in the economy which meant there were fewer jobs to redistribute, a fact which led to the removal of the policy of active disincentives in the south.

But the main reason, the authors believe, stems from a deep-seated failure to understand the reasons why "unequal growth" had occurred in the first place.

Among the misunderstandings they demolish are the idea that the north has declined but the south prospered—London has actually lost as many manufacturing jobs as Scotland had in the first place—and the theory that decline is a cumulative phenomenon or vicious circle caused by a bad mix of industries and a demoralised workforce misled by unwise trade unions.

By dissecting evidence down to the town level, the authors show that growth has in fact occurred at above average rates in parts of even the most depressed regions. The common factor they detect is that growth has not occurred in large conurbations.

This "urban-rural shift," they agree, may have been affected at the periphery by other factors, like transport links, but they argue that the central cause of decline has been the failure of city industry to grow. Thus the north west, which has two large cities, Liverpool and Manchester, has the worst record of recent years outside of Northern Ireland.

By contrast, the least urban region, East Anglia, has enjoyed the most rapid rates of manufacturing growth and since the authors agree that an economy like Britain's can only construct its employment base upon manufacturing, the solution has to be found in creating more manufacturing jobs.

In the cities, the authors argue, this growth has been prevented by lack of space, and for a period, planning policies to disperse industry from the cities. It must therefore be reversed by easier planning laws and local authority land banks for industry.

As for new firms, which this research shows to have accounted for one tenth of the urban-rural job shift in the East Midlands between 1968 and 1975, the authors also find rural areas and smaller towns more fertile growth areas.

Why? Because large plants which predominate in cities are not breeding grounds for entrepreneurs. Answer? Get the big firms to train their workers in entrepreneurship, by allowing them to take time on secondment to small businesses. Tendentious, perhaps, even downright silly as a conclusion, the authors are nonetheless persuasive in their argument that the rate of new firm formation and growth bears no relation to Government tax policy.

The rather causal nature of the solutions tacked on to the end of this study, however, does not detract at all from the excellency of the historical analysis.

Although one certainly wonders whether the same trends would be so conclusively demonstrated had the field work been done in, say, Wales rather than the East Midlands, Fothergill and Gudgin have constructed an impressive case which deserves a wide audience, not least among policymakers.

IAN HARGRAVES

U.S. ACCOUNTANTS

A hip-swaying view of the Big Eight

BY DUNCAN CAMPBELL-SMITH

The Big Eight—An Inside View of America's Eight Most Powerful and Influential Accounting Firms

By Mark Stevens. Macmillan Publishing Co Inc, New York, price \$12.95.

IN EVERY great gold rush of the Wild West, it was the man selling the picks and shovels who could rely on making his fortune. Accounting systems, tax strategies and EDP analysis are the picks and shovels of modern financial capitalism and the Big Eight accounting firms have grown accordingly.

They are hugely powerful. They employ 150,000 people in 2,500 offices in over 100 countries. They audit 90 per cent of all the companies on the New York Stock Exchange and have pushed their aggregate revenues well over \$5bn a year. Accountancy is certainly "in the land of big bucks." More than that, says Mr Stevens, it "has emerged as a sexy profession."

Mr Stevens has written a book to match. Hip-swinging, racy prose tells it like it is. And no doubt it is going to put its author in the land of big bucks



too, for Mr Stevens has done his homework. The personalities, the gossip and the mythology of the U.S. profession are expertly paraded, but so too are many of the key issues facing its development.

British readers can enjoy the fun—and worry later about the implications for British accountancy of what has happened in the U.S. profession.

American firms were released in 1979 from a prohibition on advertising. Big Eight executives don't like to dwell on many aspects of the "promotional wars" that have ensued. But Mr Stevens does, with many a choice phrase for the kind of

partner relied upon to win new business, the clients' man who can charm the pocket watches off those stiff corporate types.

How have the contenders fared in this new climate? Mr Stevens looks at each: Price Waterhouse (still the most prestigious and aloof), Deloitte Haskins and Seidman (removed for thoroughness), Peat Marwick Mitchell ("biggest in all things"), Coopers and Lybrand (pressing on in the biggest stakes under an "opinionated chairman"), Arthur Andersen (a leader in non-audit work), Arthur Young (eccentric and old-fashioned) and Ernst and

Whinney (always stressing the quality of its work).

But the author clearly likes Touche Ross best of all—"a street-smart, gutsy firm"—and finds an unusual amount of colour and individuality among its staff, led by managing partner Russell Palmer.

"Bitch and bicker as they do about each other's policies," though, the Big Eight hardly differ from each other in matters of substance, says Mr Stevens. The competition is preferable to any State-run alternative—imagine, he says, "Son of Post Office"—but in many respects it is all "a kind of silly game."

Opponents of current cost accounting will be delighted by the book's dismissive treatment of the subject. In its last pages, US edicts on the subject—the much debated FASB 33—are seen as "window dressing" by an image-conscious profession.

Nothing more will happen, says Mr Stevens, because the Big Eight don't really want it to. Finally, for all accountants outside the Big Eight, there is a marvellously reassuring picture of these firms' inability to service small companies. Big Eight partners in small business divisions have "the mood of men in exile." Growth plans in this sector, thinks Mr Stevens, are being frustrated. Here, at least, the Big Eight have met their match.

The practice of entrepreneurship

by R. Nelson, G. Meredith and P. Neck.

This is a distillation of the research, reading and personal experiences of the authors, who are professional management consultants and trainers used to dealing with entrepreneurs in many occupations and industries in both developed and developing countries. It is in 3 parts: dealing with personal traits and characteristics of entrepreneurs; financial aspects which most commonly reflect business success; and external aspects, including dealings with those people whose advice and help may be valuable.

ISBN 92-2-102839-1 (hard cover) SF30 £12.95
ISBN 92-2-102846-1 (imp cover) SF20 £12.55

Managing a management development institution

Edited by Milen Kubr.

Based on the experience and contributions of institutions in industrialised and developing countries, an international team wrote this book for the benefit of all those involved in designing, planning, managing and supervising management institutions. It will be of interest for managers in industry, government, education, training departments and institutes in industry and government, productivity centres, management consulting organisations, and to all other professional institutions.

ISBN 92-2-102955-7 SF30 £12.95

Management consulting: A guide to the profession

Edited by Milan Kubr.

6th impression (with modifications), 1982. A practical introduction to management consulting, understanding the basics of management consultancy. (Management Decision, Bradford). ISBN 92-2-101185-8 SF45 £12.85

The impact of microelectronics: A tentative appraisal of information technology

By Juan Rada. 3rd Impression, 1982.

An excellent introductory assessment of information technology, its potential, its pitfalls, and its possible consequences." (Third World Quarterly, London). ISBN 92-2-102383-4 (hard cover) SF27.50 £7.85
ISBN 92-2-102378-8 (imp cover) SF17.50 £5.00

INTERNATIONAL LABOUR OFFICE

Branch Office:
96/98 Marsham Street
London SW1P 4LY
Tel: 01-828 6401

ILO Publications
1221 Geneva 22
Switzerland
Telex: 22-271 BIT CH

BETTER BUSINESS

New books for business executives

ACQUISITION OF PRIVATE COMPANIES

by W. J. L. Knight.
3rd edition 1982. £14.95

ALLIED HAMBRO INVESTMENT GUIDE 1982

Edited by Michael Sayers.
1982. £11.75

COMPANIES ACT 1981: A PRACTICAL GUIDE

by Peter N. McMonnies.
1982. £8.50

HAMBRO TAX GUIDE 1982-3

by A. S. Silke and W. I. Sinclair.
1982. £8.95

LAW AND TAX FOR THE FAMILY COMPANY

OFFICIAL TAX FORMS MANUAL 1982

edited by K. J. M. Ritchie.
1982. £15.95

Oyez Longman Publishing Limited.
FREEPOST, London EC4B 4AX
Telephone 0604-22171

Oyez Longman

A NEW TAX ANNUAL

Current Tax Intelligence

John Avery Jones and Erica Stary

Sweet & Maxwell, publishers of British Tax Review and British Tax Encyclopedia announce a new guide to current tax law and practice to be issued at the end of each calendar year. The first annual Current Tax Intelligence (No. 1) provides comprehensive coverage of all developments in the law and practice of taxation to have occurred in 1981.

* covers all United Kingdom taxes
* digests and summarises all developments of importance to the practitioner

* provides a quick, efficient self-indexing guide
* highlights developments in the last two months of 1981
Current Tax Intelligence is reprinted from British Tax Review No. 6 1981. Developments in 1982 will be covered bi-monthly in British Tax Review.
March 1982 Hardback £9.00 0 421 29910 X
Paperback £6.00 0 421 29927

11 New Fetter Lane, London, EC4P 4EE

SWEET & MAXWELL

Focus on arguments

Getting to Yes: Negotiating Agreements without Giving In
by Roger Fisher and William Ury. Hutchinson, price £8.95

Perhaps they are right to claim so. But isn't there something faintly improbable or even absurd about suggested lines like: "Let me show you where I have trouble following some of your reasoning?" Imagine Mrs Thatcher saying that to Galliher about the Falklands.

Professional negotiators will probably find most of the material familiar while the rest of us can learn some useful devices from the book. Fisher and Ury are particularly strong on hints. They tell you, for example, the importance of deciding before you enter into any negotiation what the best alternative is available to you to a negotiated agreement. The more attractive your "BATNA," the more confident and satisfactory to you your negotiation will be.

They also try to show how you can manoeuvre a bullying or intransigent opponent who is arguing from a fixed position into genuine negotiation. They call this technique "negotiation jiu-jitsu."

"Getting to Yes" comes with some weighty recommendations behind it—testimonies from J. K. Galbraith, John Dunlop, Avrell Harriman, Elliot Richardson and Cyrus Vance, among others.

CHRISTIAN TYLER

and government. by Brian Morris, Peggy Crane and Klaus Boehm. Macmillan Reference Books. price £18.50. Explains European Community law and bureaucracy in practical terms and identifies named contacts for up-to-the-minute advice.

Longman Dictionary of Business English. by J. H. Adam. Longman House, price £23.95. Provides an explanation of 12,500 words and phrases used in commerce and industry.

The European Community, the practical guide for business

happily are right to claim so. But isn't there something faintly improbable or even absurd about suggested lines like: "Let me show you where I have trouble following some of your reasoning?" Imagine Mrs Thatcher saying that to Galliher about the Falklands.

Professional negotiators will probably find most of the material familiar while the rest of us can learn some useful devices from the book. Fisher and Ury are particularly strong on hints. They tell you, for example, the importance of deciding before you enter into any negotiation what the best alternative is available to you to a negotiated agreement. The more attractive your "BATNA," the more confident and satisfactory to you your negotiation will be.

They also try to show how you can manoeuvre a bullying or intransigent opponent who is arguing from a fixed position into genuine negotiation. They call this technique "negotiation jiu-jitsu."

"Getting to Yes" comes with some weighty recommendations behind it—testimonies from J. K. Galbraith, John Dunlop, Avrell Harriman, Elliot Richardson and Cyrus Vance, among others.

CHRISTIAN TYLER

and government. by Brian Morris, Peggy Crane and Klaus Boehm. Macmillan Reference Books. price £18.50. Explains European Community law and bureaucracy in practical terms and identifies named contacts for up-to-the-minute advice.

Longman Dictionary of Business English. by J. H. Adam. Longman House, price £23.95. Provides an explanation of 12,500 words and phrases used in commerce and industry.

The European Community, the practical guide for business

happily are right to claim so. But isn't there something faintly improbable or even absurd about suggested lines like: "Let me show you where I have trouble following some of your reasoning?" Imagine Mrs Thatcher saying that to Galliher about the Falklands.

Professional negotiators will probably find most of the material familiar while the rest of us can learn some useful devices from the book. Fisher and Ury are particularly strong on hints. They tell you, for example, the importance of deciding before you enter into any negotiation what the best alternative is available to you to a negotiated agreement. The more attractive your "BATNA," the more confident and satisfactory to you your negotiation will be.

They also try to show how you can manoeuvre a bullying or intransigent opponent who is arguing from a fixed position into genuine negotiation. They call this technique "negotiation jiu-jitsu."

"Getting to Yes" comes with some weighty recommendations behind it—testimonies from J. K. Galbraith, John Dunlop, Avrell Harriman and Cyrus Vance, among others.

Longman Dictionary of Business English. by J. H. Adam. Longman House, price £23.95. Provides an explanation of 12,500 words and phrases used in commerce and industry.

The European Community, the practical guide for business

happily are right to claim so. But isn't there something faintly improbable or even absurd about suggested lines like: "Let me show you where I have trouble following some of your reasoning?" Imagine Mrs Thatcher saying that to Galliher about the Falklands.

Professional negotiators will probably find most of the material familiar while the rest of us can learn some useful devices from the book. Fisher and Ury are particularly strong on hints. They tell you, for example, the importance of deciding before you enter into any negotiation what the best alternative is available to you to a negotiated agreement. The more attractive your "BATNA," the more confident and satisfactory to you your negotiation will be.

They also try to show how you can manoeuvre a bullying or intransigent opponent who is arguing from a fixed position into genuine negotiation. They call this technique "negotiation jiu-jitsu."

"Getting to Yes" comes with some weighty recommendations behind it—testimonies from J. K. Galbraith, John Dunlop, Avrell Harriman and Cyrus Vance, among others.

Longman Dictionary of Business English. by J. H. Adam. Longman House, price £23.95. Provides an explanation of 12,500 words and phrases used in commerce and industry.

The European Community, the practical guide for business

happily are right to claim so. But isn't there something faintly improbable or even absurd about suggested lines like: "Let me show you where I have trouble following some of your reasoning?" Imagine Mrs Thatcher saying that to Galliher about the Falklands.

Professional negotiators will probably find most of the material familiar while the rest of us can learn some useful devices from the book. Fisher and Ury are particularly strong on hints. They tell you, for example, the importance of deciding before you enter into any negotiation

Swiss secrecy: a canny sort of marketing

BY PETER MONTAGNON

Safety in Numbers, The Mysterious World of Swiss Banking
By Nicholas Faith. Hamish Hamilton, price £9.95

One of the most curious aspects of Swiss banking secrecy is that it is not nearly so secret as people generally believe.

In Switzerland numbered accounts are available only to customers whose identity is known to at least a few senior officers of the bank concerned. In neighbouring Austria a numbered account is available in bearer form, making the actual identity of its holder totally irrelevant.

Yet it is the Swiss form of banking secrecy that has gripped the imagination of the world for decades and brought the country's banks into the lime-light for their associations with a whole range of unsavoury characters ranging from German war criminals to the late President Trujillo of the Dominican Republic to some of the leading figures of the American Mafia.

In part this is due to the easy realisation of Swiss bankers that secrecy in fact provides a very useful marketing tool. For ordinary mortals there is something exhilarating and wicked about owning a Swiss bank account. As Nicholas Faith points out, it is "taken as proof of sophistication bordering on decadence."

For this reason the book may secretly please some Swiss bankers as much as it appalls others. For all its outspoken analysis of the short but chequered history of Swiss



Behind the door facades of the Swiss banking industry lies a secretiveness that is not, in fact, so secret as legend would have it, and an ingrained resistance to outside interference

banking, it ends up confirming the myth of secrecy on which Swiss banks have so long relied as a magnet to attract foreign funds.

That some of these deposits are perfectly legitimate—one thinks of the huge increase in Middle Eastern fiduciary accounts after the U.S. freeze of Iranian assets—and that the bulk of Swiss banking business is perfectly straightforward and routine, is here irrelevant.

This book sets out to explore the seamy side of Swiss banking, and it does so in a way that is bound to cause some upset, not least because it attempts to debunk the long-cherished notion that banking secrecy was invented to protect the assets of Jewish citizens of Germany held in Swiss bank accounts

after the Nazis gained power in Germany in 1933.

The immediate reason for the enshrinement of bank secrecy in the Swiss legal code was in fact: a raid in 1932 by Paris police on the offices of the Basler Handelsbank—later mentioned as a "principal agent in laundering official German funds"—that led to the publication of a long list of eminent Frenchmen who had placed money with the bank in an attempt to evade national taxes.

This in turn led to a run on other Swiss banks suspected of having large French deposits and it was in an effort to repair that damage that the famous Clause 47 was inserted into the 1934 Banking Act to make violation of bank secrecy an offence punishable by fine and imprisonment.

What one looks for more in

a book of this nature is an explanation of what makes Swiss bankers tick. The answer lies buried in the closed, peasant nature of Swiss society itself with its ingrained resistance to outside interference, particularly by taxation officials.

Nicholas Faith offers some striking insights into this problem. He identifies the Swiss bankers' instinctive refusal to admit that the pursuit of individual profit should be confined by moral rules.

He also dwells at some length on the inevitable management failures of a small country with a large banking system, which culminated in 1977 with the Swifib's loss at Credit Suisse following mismanagement of client funds by its Chiasso branch.

The political repercussions that followed this affair have been far-reaching. Both the Swiss National Bank under the presidency of the hard-nosed Dr Fritz Leutwiler and the Banking Commission under Dr Bernhard Mueller have become much tougher in their dealings with the banks.

If Nicholas Faith is right the aftermath of the banking scandals of the 1970s do mark an important step forward on "the road to normality," then perhaps this will be one of the last books of its kind.

For the modern reader this has, of course, become water under the bridge. At times the book seems rather gratuitous in that it makes relatively little play of the Swiss predilection of being locked in the middle of a continent at war and dependent at all times even for its food supplies on the benevolence of the strongest protagonist at any one time:

Swiss banks did use bank secrecy to protect their German Jewish customers, but at times during the war period they were also prepared, the book maintains, to disguise the true ownership of assets looted by the Nazis and later to obstruct efforts by the Allies to determine the extent of Nazi assets held in Switzerland.

For the modern reader this has, of course, become water under the bridge. At times the book seems rather gratuitous in that it makes relatively little play of the Swiss predilection of being locked in the middle of a continent at war and dependent at all times even for its food supplies on the benevolence of the strongest protagonist at any one time:

What one looks for more in

the book is the political ramifications of the 1970s.

There were a number of distinct economic phases: the uncertainties of the 1920s, the slump of the early 1930s, the tight controls and cartel domination of the wartime and post-war era, and finally the growth and increasing competition of the late 1950s and 1960s. Through the whole period, however, Lloyds' share of the deposits of the then Big Five changed comparatively little, and certainly showed no very obvious long-term trend.

Mr Winton's book is rich in detail. It emerges, for instance, that T. S. Eliot spent eight years in the bank. His duties included the writing of monthly articles on foreign exchange (we are given no sample, but are assured they contained no poetry). More spectacular was the accidental demolishing of the headquarters

An analysis of world bankers in order of merit

Bank Annual Reports: Financial Times 1982 World Survey

By Michael Lafferty, David Andrews and Martyn Taylor, F.T. Business Publications, price £170.

WHEN Michael Lafferty was this newspaper's banking correspondent, he was assiduous in

promoting the cause of higher bank accounting standards. So it comes as no surprise to learn that the latest FT world accounting survey which he has helped to produce is devoted exclusively to banks.

Lafferty and his two co-authors have appraised the accounts of the world's 100 largest banks against the criteria of the International Accounting Standards Committee,

the perceived requirements of users of accounts and their own strongly-held views on what bank accounts should contain. The result is a series of performance tables, in the chief of which the banks are listed in overall order of merit. Chase Manhattan wins while Barclays (at 25th) is the highest-ranked bank from outside the United States. Credit Agricole ends up with the wooden spoon.

Fun though these performance tables are, the report's real value lies in the detailed analysis of the accounts from which the rankings are derived. Particularly valuable are the examples of good accounting practice reproduced directly from a variety of bank statements.

The analysis would have been helped, though, by a fuller description of the different

national accounting requirements, to let one judge how far the national authorities rather than the banks really deserve the praise and blame that the authors bestow.

Throughout the report, the authors demonstrate their commitment to the concept of general purpose reporting. Thus they judge bank statements by their relevance of depositors, employees and other users of accounts as well as to shareholders. Such an approach would have carried more conviction if they had recognised the importance of other, complementary sources of information about banks that are available to such users.

For instance, it is rather harsh to rank the UK and U.S. 14th and 15th out of 17 countries for the provision of "employment information" without paying regard to the high quality of many of the special employee reports produced by banks in both countries—not to mention the patronising and platitudinous tone adopted by banks in some of the countries they rank much higher.

The authors also fail to consider how far the mass of banking information published in aggregated form by national monetary and supervisory authorities may meet user needs. Nor is there any real recognition of the difficulties facing users of bank accounts when attempting to judge a bank's soundness on the basis of a selective, historic snapshot of its financial position.

There is indeed a real danger that depositors, analysts and other users may believe they have enough data to arrive at a justifiable conclusion, only to find that the bank's position has changed radically since the last reporting date, or that its real weaknesses were of a kind that no formal statement could identify. A chilling lesson from the U.S. is that banks which have failed have generally done so from a position of better-than-average balance sheet strength.

By the same token, the problems of international comparability are greater than the authors care to admit, while their campaign against hidden reserves—for which they are due much credit—would be more convincing if they showed more awareness of the subjectivity that is inevitably involved in valuing a portfolio of bank assets.

This is a stimulating and informative report which should help to encourage banks and their auditors throughout the world to aspire to higher levels of disclosure and presentation. It does, however, risk creating the impression that good bank accounts are easier both to produce and to use than is in fact the case.

Books of the Month

Announcements below are pre-paid advertisements. If you require entry in the forthcoming panels application should be made to:

The Advertisement Department, Bracken House, 10 Cannon Street, EC4P 4BY
Telephone: 01-248 3000, Ext. 4064.

Company Law

M. C. Oliver

The ideal text for all aspiring company secretaries, accountants and students of business management. Enables students to assimilate facts quickly and easily, and takes account of Companies Act 1980.

Macdonald & Evans £9.95
Estover, Plymouth PL6 7PZ.

A Dictionary of Banking

F. E. Perry

This invaluable dictionary covers technical terms not only from the field of banking, but also from economics, statistics, marketing, foreign dealings and other peripheral aspects of banking.

Macdonald & Evans £9.95
Estover, Plymouth PL6 7PZ.

Executives in Action: A guide to balanced decision-making in management

Carol Lynne Moore

The action profiling method has been used to study the motivational patterns of over 8,000 senior executives. Recommended for anyone interested in industrial psychology, personnel or human resources management.

Macdonald & Evans £4.50
Estover, Plymouth PL6 7PZ.

Management

Tony Proctor

Concisely but comprehensively covers both the theoretical and practical applications of management ideal for students taking the examinations of the various professional bodies and all those involved in management.

Macdonald & Evans £4.95
Estover, Plymouth PL6 7PZ.

Currency Management

Richard Lassen

A practical working guide providing a clear and realistic examination of currency management for all those concerned with this complex subject.

Woodhead-Faulkner (Publishers) Ltd., 17 Market Street, Cambridge CB2 3PA £11.75 inc. p&p

Accounting for Pensions

Michael Young &

Nigel Buchanan

A major new book which examines the accounting

Grout's Value Added Tax Cases

Victor Grout CBE LLB

The first edition of this new book summarises over 1,100 VAT tribunal decisions reported up to 30 June 1981 and over 60 court decisions reported up to 30 September 1981.

ISBN 0 85459 046-3 £10.75

Tolley Publishing Co. Ltd., 209 High Street, Croydon CR0 1QR.

Tolley's Development Land Tax (4th edition)

Robert W. Maas FCA

This book contains 14 chapters of detailed practical guidance on development land tax covering legislation, practice and relevant case law from its inception to 12 March 1982.

ISBN 0 85459 056-0 £10.50

Tolley Publishing Co. Ltd., 209 High Street, Croydon CR0 1QR.

Trading in Options (2nd edition)

Geoffrey Chamberlain

A completely revised and updated guide for all investors interested in trading options. Anyone considering investing in the market would be well advised to read it.

Investment Analyst.

Woodhead-Faulkner (Publishers) Ltd., 17 Market Street, Cambridge CB2 3PA £16.75 inc. p&p

ISBN 0 85459 027-7 £17.50

Tolley Publishing Co. Ltd., 209 High Street, Croydon CR0 1QR.

Tolley's Index to Companies Legislation

Josephine Stafford BA

An index to company law provisions contained in the Companies Acts and related legislation in force in Great Britain on 15 June 1982, noting amendments, substitutions and repealed provisions.

ISBN 0 85459 067-6 £2.95

Tolley Publishing Co. Ltd., 209 High Street, Croydon CR0 1QR.

Tolley's European Community Institutions

Joanne S. Foakes BA (Oxon).

This unique book in eleven chapters provides a practical and brief guide to the organisation and policy of the three European Communities and examines their institutional framework, powers and future.

ISBN 0 85459 069-9 £4.50

Tolley Publishing Co. Ltd., 209 High Street, Croydon CR0 1QR.

How to Survive Unemployment: Creative Alternatives

Robert Nathan &

Michel Syrett

Careers experts Robert Nathan and Michel Syrett believe that with a little positive thinking and a great deal of research, unemployment can be a challenge you can

Collett's In English £22.50 Dennington Estate, Wellington NNS 2DT

books FOR THE BUSINESSMAN

Stability in the face of adversity

Lloyds Bank 1918-1969

by J. R. Winton, Oxford University Press, price £15.

next door of Commercial Union in 1918, during its conversion to Lloyd's new head office. But the reader is left wondering just what, if anything, made Lloyd's bank tick.

The clarity of the picture is not helped by the typical officers and men divisions among the leading characters.

The chairmen were recruited on the old boy network, a variety of industrialists, retired diplomats and representatives of "old banking families." Some had little or no previous knowledge of banking. This often left real power in the hands of the rather more shadowy general managers, who are variously but opaque described as "very proficient" or "technically very accomplished."

But they are stable organisations over long periods, a point that comes home strongly from a reading of this new history of Lloyds over a 50-year span up to 1969 by J. R. Winton, who is a retired economic adviser to the bank (having joined it in 1933).

There were a number of distinct economic phases: the uncertainties of the 1920s, the slump of the early 1930s, the tight controls and cartel domination of the wartime and post-war era, and finally the growth and increasing competition of the late 1950s and 1960s.

Through the whole period, however, Lloyds' share of the deposits of the then Big Five changed comparatively little, and certainly showed no very obvious long-term trend.

And it emerged that something, at least, existed within the management structure of Lloyds which gave it a degree of relative strength. When the clearances dropped their financial results in their annual reports for 1969 and disclosed true profits it emerged that in terms of pre-tax profits as a percentage of total resources Lloyds was easily the most profitable of the Big Four.

BARRY RILEY

NEW TITLES FROM Scope Books

The Headhunters

Robert McElroy

A well-researched study of Headhunters and those who use them—including Government departments, multinationals, business and industry in general. The author has written many articles and several books on management and human relations.

April 29th £9.75 0 906819 10 8

Effective Marketing for the Smaller Business

WORLD STOCK MARKETS

NEW YORK

Stock	June 22	June 21	Stock	June 22	June 21	Stock	June 22	June 21	Stock	June 22	June 21
ACF Industries	204	207	Columbia Gas	294	294	St. Al's Pac. Tel.	5	5	Schultz Brw.	397	397
AMF	181	184	Commons Plat.	244	244	Schumacher	214	214	SCHM	214	214
AM Int'l	184	184	Combust. Eng.	187	184	SCM	181	181	Sealed Power	304	304
AMR Corp.	262	262	Comvite, Edison.	204	204	Seaport	45	45	Sears (C)	104	104
ASA	197	197	Comm. Satellites	254	218	Seatec	191	191	Seatec	191	191
AVX Corp.	176	176	Comp. Science	118	118	Sealed Merch	104	104	Sealed Power	304	304
Abbott Lab.	285	277	Cone Mills	281	274	Sealite	191	191	Sears (C)	104	104
Adco Oil & Gas	165	165	Conrad	234	234	Seafarers	57	57	Seatec	191	191
Advanced Micro.	233	232	Cookson	244	244	Sealite	57	57	Seatec	191	191
Airtronics (H.J.)	273	273	Cons. Foods	34	34	Security Pac.	284	284	Seatec	191	191
Air Prod & Chem	273	273	Cont. Freight	234	234	Security Pac.	274	274	Seatec	191	191
Albany Int'l	154	154	Consumer Power	17	17	Seafarers	284	284	Seatec	191	191
Alberto-Culv.	114	114	Cont. Air Lines	4	5	Seafarers	274	274	Seatec	191	191
Albertson's	304	304	Cont. Corp.	22	22	Seafarers	284	284	Seatec	191	191
Alco Standard	204	204	Cont. Group	264	264	Seafarers	274	274	Seatec	191	191
Alexander & AL	244	244	Cont. Illinois	254	254	Seafarers	284	284	Seatec	191	191
Allied Corp.	214	214	Cont. Teleph.	244	254	Seafarers	274	274	Seatec	191	191
Allied Stores	282	282	Cont. Data	244	254	Seafarers	284	284	Seatec	191	191
All-Chalmers	124	124	Cooper Inds.	254	257	Seafarers	274	274	Seatec	191	191
Allis Chalmers	224	224	Cooper Adolph.	11	107	Seafarers	284	284	Seatec	191	191
Am. Sugar	194	194	Cooper Inds.	254	257	Seafarers	274	274	Seatec	191	191
Amex	194	194	Corning Glass	454	447	Seafarers	284	284	Seatec	191	191
Amidahl Corp.	184	184	Corroon Black	20	20	Seafarers	274	274	Seatec	191	191
Am. Airlines	204	204	Crossland	254	254	Seafarers	284	284	Seatec	191	191
Am. Brands	404	394	Crown Cork	34	34	Seafarers	274	274	Seatec	191	191
Am. Broadcast's	364	344	Cummins Eng.	277	277	Seafarers	284	284	Seatec	191	191
Am. Crayola	164	164	Currie Wright	36	36	Seafarers	274	274	Seatec	191	191
Am. Elect. Powr.	164	164	Damon	254	254	Seafarers	284	284	Seatec	191	191
Am. Gen. Indus.	114	114	Dart & Kraft	52	52	Seafarers	274	274	Seatec	191	191
Am. Home Prod.	274	274	Data Gen.	274	274	Seafarers	284	284	Seatec	191	191
Am. Medical Inst.	214	214	Dayton-Hudson	344	344	Seafarers	274	274	Seatec	191	191
Am. Motors	314	314	Delta Air	334	328	Seafarers	284	284	Seatec	191	191
Am. Nat. Reserves	294	294	Denny's	244	244	Seafarers	274	274	Seatec	191	191
Am. Gaiser Pet.	84	84	Dentply Ind.	254	254	Seafarers	284	284	Seatec	191	191
Am. Standard	254	254	Detroit Edison	114	114	Seafarers	274	274	Seatec	191	191
Am. Stores	504	504	Diamond Int'l	502	502	Seafarers	284	284	Seatec	191	191
Ametek Inc.	262	262	Diamond Shank	174	168	Seafarers	274	274	Seatec	191	191
Amico	164	164	Diamond Sham.	504	504	Seafarers	284	284	Seatec	191	191
Amstar	204	204	Dillingham	104	104	Seafarers	274	274	Seatec	191	191
Amstel Inds.	284	284	Dillon	214	214	Seafarers	284	284	Seatec	191	191
Amwest-Ban	504	504	Dome Mines	514	514	Seafarers	274	274	Seatec	191	191
Archer Daniels	144	144	Donnelly R.R.	404	404	Seafarers	284	284	Seatec	191	191
Arco	174	174	Dover Corp.	214	214	Seafarers	274	274	Seatec	191	191
Armstrong Glk.	154	154	Dow Jones	184	184	Seafarers	284	284	Seatec	191	191
Asamera Oil	64	64	Dresser	184	184	Seafarers	274	274	Seatec	191	191
Asarco	204	204	Dr. Pepper	144	144	Seafarers	284	284	Seatec	191	191
Ashland Oil	254	254	Dun & Brad.	654	654	Seafarers	274	274	Seatec	191	191
Atlantic Rich.	254	254	Du Pont	334	334	Seafarers	284	284	Seatec	191	191
Auto Data Prgs.	234	234	EG & G	164	164	Seafarers	274	274	Seatec	191	191
Avery Ind.	24	24	Ebac	194	194	Seafarers	284	284	Seatec	191	191
Avnet	434	424	Eastern Airlines	19	19	Seafarers	274	274	Seatec	191	191
Avon Prod.	244	244	Eastern Gas & F.	174	184	Seafarers	284	284	Seatec	191	191
B&T Gas & Elec.	254	254	Eastern Kodak	174	174	Seafarers	274	274	Seatec	191	191
Bar. Cal.	204	204	Easton	204	204	Seafarers	284	284	Seatec	191	191
Banger Punta	204	204	Eckerd Jack.	154	154	Seafarers	274	274	Seatec	191	191
Bank of N.Y.	374	374	Electronic Data	254	254	Seafarers	284	284	Seatec	191	191
Bankers Trust N.Y.	274	274	Emerson Electric	184	184	Seafarers	274	274	Seatec	191	191
Bart Wright	144	144	Emery Air Fgt.	84	84	Seafarers	284	284	Seatec	191	191
Bartley	344	334	Emhart	324	324	Seafarers	274	274	Seatec	191	191
Bectec Inds.	144	144	Engelhard Corp.	194	194	Seafarers	284	284	Seatec	191	191
Bell Steel	164	164	Enserch	184	184	Seafarers	274	274	Seatec	191	191
Bell Telephone	184	184	Esham	164	164	Seafarers	284	284	Seatec	191	191
Black & Decker	184	184	Evans Prod.	74	74	Seafarers	274	274	Seatec	191	191
Block HR	304	304	Ex Cell O	214	214	Seafarers	284	284	Seatec	191	191
Bue Bell	254	254	Fabergé	154	154	Seafarers	274	274	Seatec	191	191
Budapest	204	204	Fedders	144	144	Seafarers	284	284	Seatec	191	191
Bulldog	204	204	Federal Co.	214	214	Seafarers	274	274	Seatec	191	191
Borden	212	212	Ford Nat. Mort.	94	94	Seafarers	284	284	Seatec	191	191
Borg Warner	247	257	Foster Dugan	184	184	Seafarers	274	274	Seatec	191	191
Briggs Strat.	243	243	Fox Paper Brd.	84	84	Seafarers	284	284	Seatec	191	191
Brown Myron	216	216	Ford Motor	454	454	Seafarers	274	274	Seatec	191	191
BP	216	204	Freightliner	424	424	Seafarers	284	284	Seatec	191	191</

Companies and Markets

LONDON STOCK EXCHANGE

Buoyant defence stocks relieve tedious session

Gilt-edged rally falters on shortage of funds

Account Dealing Dates

Option	First Declara-	Last Account	Dealing Days
First Declara-	Last Account	Dealing Days	
June 7	June 17	June 15	June 28
June 21	July 1	July 2	July 12
July 5	July 15	July 16	July 25
New time - dealing may take place from 9 am two business days			

With the threatened national rail strike drawing closer and adding emphasis to the UK's current labour troubles, investment interest in London stock markets was further discouraged yesterday. International influences pushed aside in Tuesday's technical recovery, also reassured themselves, the most important being U.S. interest rate anxiety and the continuing conflict in Lebanon.

A shortage of near funds, reflecting extremely tight credit conditions in London money markets, helped to stifle any likely extension of the previous day's good rally in Gilt-edged securities. Returning weakness in the sterling exchange rate yesterday also put a dampener on sentiment and restricted business. Gilt quotations eased throughout the list and the longs after a brief attempt to steady, eventually gave back around half of Tuesday's gains of nearly a point. Short-dated stocks ended about 1% lower.

Equity markets were impressed initially by Wall Street's apparently dismaying dismissal of pessimistic predictions about short-term trends in the U.S. A better tone on Wall Street over-

night encouraged dealers to open leading shares slightly higher, but only sporadic buying inquiries were forthcoming and the gains were soon lost. Defence stocks provided one of the rare bright corners of the market, following Racial Electronics' annual results and optimistic statement. Feranti's preliminary figures also helped to bolster the sector.

The relative sharp rises in stocks such as GEC and Plessey together with marked firmness in Imperial Group, interim results due shortly, helped the FT Industrial share index to close virtually unchanged on the day at 555.9. At 10 am calculation, this measure had shown a rise of 1.8 and at 2 pm a net loss of 1.2.

Banks dull

After the previous day's late technical rally, the major clearing banks turned dull again in the absence of fresh support. Barclays and Lloyds lost 8 pence to the common price of 380p, NatWest gave up 6 to 380p, but Midland finished unaltered at 332p, after 330p. Elsewhere, First National Finance touched 36p before settling a net penny cheaper following the interim statement.

Apart from Minet, which attracted fresh speculative support on takeover hopes and gained 3 to 147, Insurances also had a drab appearance. Composites sustained losses to 8, in General Accident, 294p, and

Sun Alliance, 734p. Eagle Star shed 5 to 324p and GRE 4 to 276p.

Movements in leading Breweries and Distillers were generally limited to a penny or so. Elsewhere, G. Russell rose 6 to a new peak of 186p, while Bellhaven, ahead of results due tomorrow, hardened a penny to 155p.

Selected leading Buildings took Tuesday's useful rally a modest stage further. Blue Circle improved 6 to 440p, while BPEP touched 424p before settling 4 net up 4 at 422p; the latter's preliminary results are due next Wednesday. RMC met modest support and put on 3 to 244p, while London Brick put on a penny to 95p. Redland stayed at 172p awaiting today's annual results. Barratt Developments, a dull market leader, touched 274p before closing just 2p firmer on balance at 272p. Elsewhere, Burnett and Hallsworth put on 3p for a day gain of 55 to 370p in response to the good preliminary results, while Nottingham Brick held at 165p, the Board's optimistic statement outweighing the lower interim profits. Wharfing lost a penny to 36p awaiting today's half-time statement.

Revived support was forthcoming for British Tar Products which, gained 5 to 45p; the annual results are due next Thursday. British Beaufort put on a penny for a three-day gain of 3% to 145p in response to the return to profitability. The Chemical majors were barely tested and stayed at overnight levels.

Leading Stores usually ended a shade easier, with Gussie A, at 455p, losing a half of the previous day's rise of 10. Awaiting news from yesterday's annual meeting, UDS shed a penny to 42p. Elsewhere, Polly Peck featured in a relatively lively trade with a rise of 17 to 342p, after 341p, following the confident interim statement. In sympathy, Wearwell came active and gained 3 to 44p, after 45p, and Cornell Dresser put on 4 to 146p. Executives' Clothes remained at 10p ahead of tomorrow's results, while S and U Stores held at 10p, despite the continued absence of a dividend. Recently volatile following the announcement of the Parque Investment acquisition of a stake in the company, A. Caido rose 20 more to 400p. News of British Land's reduced stake in J. Hepworth left the shares 2 easier at 185p. Ernest Jones (Jewellers) fell to 85p before closing a net 3 off at 87p on the near 46 per cent fall in half-time profits.

Racial strong

Racial made a strong response to the preliminary results and optimistic statement on future trading, closing at the day's best with a rise of 22 to 450p. Racial's preliminary figures encouraged support for other leading Electricals, while the White Paper on defence spending also helped

to stimulate buying interest. GEC, due to report annual results shortly, advanced 20 to 445p, while Plessey moved up 18 to 470p. Ferrari closed 20 up at 465p after the preliminary figures and proposed one-for-five scrip issue. Cable and Wireless advanced 12 to 287p helped by the Saudi Arabian communications contract, while the latter's interim results are due next Tuesday. Elsewhere, scattered support lifted Black and Edington 5 to 45p.

Motors and Components showed few changes of note, but Bimacel was nudged to the front with a rise of 2 to 205p. Brafield Group slipped a penny to 53p, still 3 better than the 50p cash per share bid from Lookers.

In Paper/Printings, Bemrose made no further progress after Tuesday's rise of 6 to 128p on clearance by the Monopolies Commission of the Bemrose bid equal to 130p per share; it was suspended yesterday.

Lack of support made for dullness in the Engineering leaders. GRK drifted 6p to close 4 cheaper at 146p, while Wicks down 2 further at 137p, remained unsettled by the proposed cut-back in production at the Rolls-Royce subsidiary. Elsewhere, Westland encountered support in line with its defence stocks and rose 5 to 125p. Pergie Mathematics rallied after 165p, up 6, while further support lifted Springfield 6 to 144p. On the other hand, British Aluminums weakened 5 to 45p and Babcock returned reactionary at 100p, down 17 for a two-day fall of 20 to 235p.

Among the occasional movements in Properties, Brixton Estates shed 2 to a 1982 low of 95p, while Churchbury Estates gave up 5 to 370p; the latter's results are due next Tuesday. Trust Securities put on 3 to 89p with the Deferred 2 up to 64p.

Leading Foods showed small irregular price movements. Elsewhere, demand ahead of the preliminary results, due next Wednesday, lifted Avana 7 to 282p.

Hotels and Caterers had 151p offer. Ladbrokes hardened 2 to 150p, but Grand Metropolitan stayed at 226p. Trusthouse Forte were also unchanged, at 119p, awaiting today's interim results.

British Aero. up

Few of the miscellaneous industrial leaders recorded movements worthy of note after another extremely slow trading session. Reed International, up 4 more at 294p, continued to benefit from the Monopolies Commission's clearance for the proposed transfer of 19 provincial newspapers to the group. Reflecting the revival in defence stocks, British Aerospace entered demand and put on 7 to 224p. In complete contrast, Change Wares showed marked weakness and fell to 3p before rallying to close 7 down at 7p following the statement that the company's accounts, which will indicate further substantial losses, have been delayed pending discussions regarding an important acquisition and related financial proposals. Satisfactory preliminary results left Lep Group 5 higher at 375p and Powell Duffryn a similar amount dearer at 95p. Cambus, a dull market of late, rose to 114p and gained 10 to 115p on the results and absence of a rights issue. AGS Pentecost eased 2 to 73p on the reduced dividend and annual profit.

A lively trade developed in Imps, which touched 100p before settling at 99p, up 3p; the interim results are expected during the next trading session. Elsewhere in Tobaccos, Bates contrasted with a fall of 5 to 440p.

South Africans showed modest losses in places, but Abercom gave up 8 to a 1982 low of 92p, while OK Bazzars, 10 off at 590p, also closed at a low for the year so far. S. A. Breweries slipped to 155p before ending a net 3 up at 163p.

In Plantations, Rightwise, at 162p, retreated 13 from the 1982 high.

the latter's interim results are due next Tuesday. Elsewhere, scattered support lifted Black and Edington 5 to 45p.

Motors and Components showed few changes of note, but Bimacel was nudged to the front with a rise of 2 to 205p. Brafield Group slipped a penny to 53p, still 3 better than the 50p cash per share bid from Lookers.

In Paper/Printings, Bemrose made no further progress after Tuesday's rise of 6 to 128p on clearance by the Monopolies Commission of the Bemrose bid equal to 130p per share; it was suspended yesterday.

Lack of support made for dullness in the Engineering leaders. GRK drifted 6p to close 4 cheaper at 146p, while Wicks down 2 further at 137p, remained unsettled by the proposed cut-back in production at the Rolls-Royce subsidiary. Elsewhere, Westland encountered support in line with its defence stocks and rose 5 to 125p. Pergie Mathematics rallied after 165p, up 6, while further support lifted Springfield 6 to 144p. On the other hand, British Aluminums weakened 5 to 45p and Babcock returned reactionary at 100p, down 17 for a two-day fall of 20 to 235p.

Among the occasional movements in Properties, Brixton Estates shed 2 to a 1982 low of 95p, while Churchbury Estates gave up 5 to 370p; the latter's results are due next Tuesday. Trust Securities put on 3 to 89p with the Deferred 2 up to 64p.

Leading Foods showed small irregular price movements. Elsewhere, demand ahead of the preliminary results, due next Wednesday, lifted Avana 7 to 282p.

Hotels and Caterers had 151p offer. Ladbrokes hardened 2 to 150p, but Grand Metropolitan stayed at 226p. Trusthouse Forte were also unchanged, at 119p, awaiting today's interim results.

British Aero. up

Few of the miscellaneous industrial leaders recorded movements worthy of note after another extremely slow trading session. Reed International, up 4 more at 294p, continued to benefit from the Monopolies Commission's clearance for the proposed transfer of 19 provincial newspapers to the group. Reflecting the revival in defence stocks, British Aerospace entered demand and put on 7 to 224p. In complete contrast, Change Wares showed marked weakness and fell to 3p before rallying to close 7 down at 7p following the statement that the company's accounts, which will indicate further substantial losses, have been delayed pending discussions regarding an important acquisition and related financial proposals. Satisfactory preliminary results left Lep Group 5 higher at 375p and Powell Duffryn a similar amount dearer at 95p. Cambus, a dull market of late, rose to 114p and gained 10 to 115p on the results and absence of a rights issue. AGS Pentecost eased 2 to 73p on the reduced dividend and annual profit.

A lively trade developed in Imps, which touched 100p before settling at 99p, up 3p; the interim results are expected during the next trading session. Elsewhere in Tobaccos, Bates contrasted with a fall of 5 to 440p.

South Africans showed modest losses in places, but Abercom gave up 8 to a 1982 low of 92p, while OK Bazzars, 10 off at 590p, also closed at a low for the year so far. S. A. Breweries slipped to 155p before ending a net 3 up at 163p.

In Plantations, Rightwise, at 162p, retreated 13 from the 1982 high.

RECENT ISSUES

EQUITIES

Issue price	Amnt paid up	Latest Remnd.	1982		Stock	Closing price	+ or -	Div s. amount	Dividend	Gross Div.	P/l ratio
			High	Low							
78p	—	—	12	11	Argyll Foods Wkrs	11	—	—	—	—	—
52p F.P.	235	220	260	250	Armen. Heat Services	265	+2	4.8	16.4	2.5	12.7
46 F.P.	507	52	52	51	Bairdsw Eves Sp.	52	+1	5.1	24.4	4.2	21.7
15 F.P.	15	12	50	48	Black (Michael) 20p	52	+1	5.0	24.4	4.2	21.7
180p F.P.	416	433	423	415	Co-Cont. Microwave	420	+2	5.2	13.8	1.8	13.6
160p F.P.	385	375	375	370	Dencore	375	+2	5.2	13.8	2.0	13.6
187p F.P.	325	325	325	320	Electro-Proj. US\$1.50	324	+2	5.1	13.8	2.0	13.6
127 F.P.	27	27	21	20	Group Inv. Option	12	+1	5.75	14.8	1.1	14.8
160 F.P.	27	27	110	105	Hartley Stone	110	+2	4.5	18.1	2.2	18.1
600 F.P.	147	147	555	555	Oriflame SA (US\$1.50)	500	+8	5.25	13.8	2.0	13.6
47 F.P.	145	145	150	145	Radio City N.Y.	150	+10	5.25	13.8	2.0	13.6
71 F.P.	90	90	19	19	Stewart Nairn	25	+1	5.25	13.8	2.0	13.6
71 F.P.	90	90	40	40	Zambia Cons Cpt. Inv.	40	+1	—	—	—	—

FIXED INTEREST STOCKS

Issue price	Amnt paid up	Latest Remnd.	1982		Stock	Closing price	+ or -	
			High	Low				
100p	—	—	7pm	2pm	Barlow St. Corp. Cpt. Rd. Pl.	7pm	—	21%
810p	226	226	22pm	22pm	Bank Southw. with Waterf. Natl. Pl.	22pm	—	21%
100p	238	238	21pm	21pm	Cred. Foncer de Fr. since 1978	21pm	—	21%
4100 F.P.	1/7	1/7	104	103	East Anglia Water 5% Red. Prt. 1987-101%	104	—	101%
101 F.P.	1/7	1/7	104	103	East Anglia Water 5% Red. Prt. 1987			

CURRENCIES and MONEY

Late fall

The dollar fell in late trading from the highs seen earlier in the day although it remained considerably stronger than Tuesday's closing levels in London. Trading was quiet for most of the day with the prospect of high U.S. interest rates likely to underpin the dollar for some time to come.

Sterling was quite firm overall but its improvement came too late to be fully reflected in the weighted index. The pound eased slightly against the dollar but showed a sharp improvement in terms of major European currencies.

The D-mark was again the weakest member of the European Monetary System and remained outside its divergence limit, the level at which central banks are expected to take corrective action. However the situation has been complicated by recent strength in the dollar.

DOLLAR Trade weighted index (Bank of England) 131.2 against 120.7 on Tuesday (10.5 six months ago). Three-month Treasury bills 12.7 per cent (11.27 per cent six months ago).

Annual inflation rate 6.7 per cent (6.6 per cent previous month). The dollar fell from a high of DM 2.49 against the D-mark to close at DM 2.4750 compared with DM 2.4540 on Tuesday. Against the Swiss franc it finished at SFr 47.11 while the D-mark rose to DM 1.1741 from DM 1.1717. Bundesbank to stop the dollar's rise

BELGIAN FRANC — EMS member (third weakest). Trade weighted index 95.2 against 95.0 on Tuesday (90.7 six months ago). Three-month interbank 13; per cent (15.4 per cent six months ago). Annual inflation 9.5 per cent (9.4 per cent previous month) — Sterling opened at \$1.7225 and eased initially to a low of \$1.7200. As the dollar started to lose ground so sterling recovered, reaching \$1.7250 by noon and a best level of \$1.7350 some time after 3.30 p.m. It closed at \$1.7315-1.7325, a fall of just 50 points. It rose against BFr \$1.64 from BFr \$7.9525.

EMS EUROPEAN CURRENCY UNIT RATES

ECU	Currency amounts	% change from central rate June 23	% change adjusted for divergence rate	Divergence limit %
Belgian Franc ...	44,9704	-0.05	-0.19	±1.6430
Danish Krone ...	8,2234	+0.95	+0.94	±1.5007
D-Mark ...	2,5779	+2.2629	+1.45	±1.5007
French Franc ...	6,61367	-0.34	-0.38	±1.3940
Dutch Guilder ...	2,57971	+0.83	+0.89	±1.5000
Irish Punt ...	0,689101	-0.63	-0.77	±1.6861
Icelandic ...	130,27	1331.37	-1.40	-1.40
Changes are for ECU, therefore positive change denotes a week currency. Adjustment calculated by Financial Times.				

Changes are for ECU, therefore positive change denotes a week currency. Adjustment calculated by Financial Times.

EXCHANGE CROSS RATES

June 23		Pound Sterling	U.S. Dollar	Deutschmark	Japanese Yen	French Franc	Swiss Franc	Dutch Guilder	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling		1	1.732	4,930	443.0	11,905	5,663	4,720	2,411	2,349	81.80
U.S. Dollar	0.577		1	2,477	255.8	6,874	2,115	2,725	1,598	1,388	47.11
Deutschmark	0.233		0.404	1	103.5	2,775	0.854	1,100	562.0	5,084	19.02
Japanese Yen 1,000	2,257		3,910	9,684	1,000	26,87	5.837	10,655	5442	5,076	194.2
French Franc 10	0.640		1.455	3,904	379.1	10.	3,067	5,665	2,025	1,889	65.24
Dutch Guilder 1,000	0.273		0.473	1.171	181.0	3,851	1.	1,289	655.3	5,014	22.28
Italian Lira 1,000	0.212		0.367	0.909	93.86	0.775	1.	510.8	1,000	4,976	17.23
Canadian Dollar	0.446		0.770	1.908	197.0	5,895	1,629	2,098	1,072	1	56.29
Belgian Franc 100	1.285		2.123	5.257	542.9	14.59	4,488	5,784	2,955	2,756	100.

THE POUND SPOT AND FORWARD

Day's spread	Closes	One month	% p.a.	Three months	% p.a.
U.S. 1.7200-1.7250	1.7215-1.7225	0.36-0.45c/ds	—	2.77 1.36-1.45c/ds	—
Canada 2.2200-2.2500	2.2480-2.2490	0.50-1.00c/ds	—	5.07 2.94-3.04ds	4.02
Netherlands 4.70-4.76	4.71-4.72	7.1-1.4c pm	4.13	4.71-4.74	4.23
Belgium 81.30-81.80	81.31-81.81	2.2-2.5c pm	—	8.25 4.25-4.5c pm	3.85
Ireland 1.2405-1.2485	1.2445-1.2485	0.55-0.75p/ds	—	6.59 2.02-2.15ds	1.76
W. Ger. 4.27-4.30	4.22-4.25	7.1-1.4p pm	3.85	4.45-4.7c pm	4.05
Portugal 143.75-144.50	145.00-146.00	80-100c/ds	—	13.98 5.00-6.00ds	12.02
Spain 2.02-2.11	2.110-2.12	13-16c/ds	—	7.48 4.65-4.95c/ds	7.58
France 10.85-10.90	10.87-10.88	1.7-2.0c ds	—	12.00 5.50-6.50c/ds	4.70
Japan 44.65-45.00	44.72-4.75	2.0-2.5c ds	—	3.11 4.1-5.1c ds	1.58
Austria 30.15-30.35	30.23-30.28	13-14c/ds	—	5.42 6.55-6.75c/ds	4.23
Switzerland 3.63-3.67	3.65-3.67	0.7-2c pm	—	5.77 6.5-6.7c ds	6.56

Belgian franc is convertible francs. Financial rate: 90.12-90.30c. 12-month forward dollar: 2.20-2.50c ds. 12-month 4.75-4.95c ds.

THE DOLLAR SPOT AND FORWARD

Day's spread	Closes	One month	% p.a.	Three months	% p.a.
U.K. 1.7200-1.7250	1.7215-1.7225	0.36-0.45c ds	—	2.77 1.36-1.45c ds	—
Canada 2.2200-2.2500	2.2480-2.2490	0.50-1.00c ds	—	5.07 2.94-3.04ds	4.02
Netherlands 4.70-4.76	4.71-4.72	7.1-1.4c pm	4.13	4.71-4.74	4.23
Belgium 81.30-81.80	81.31-81.81	2.2-2.5c pm	—	8.25 4.25-4.5c pm	3.85
Ireland 1.2405-1.2485	1.2445-1.2485	0.55-0.75p/ds	—	6.59 2.02-2.15ds	1.76
W. Ger. 4.27-4.30	4.22-4.25	7.1-1.4p pm	3.85	4.45-4.7c pm	4.05
Portugal 143.75-144.50	145.00-146.00	80-100c/ds	—	13.98 5.00-6.00ds	12.02
Spain 2.02-2.11	2.110-2.12	13-16c/ds	—	7.48 4.65-4.95c/ds	7.58
France 10.85-10.90	10.87-10.88	1.7-2.0c ds	—	12.00 5.50-6.50c/ds	4.70
Japan 44.65-45.00	44.72-4.75	2.0-2.5c ds	—	3.11 4.1-5.1c ds	1.58
Austria 30.15-30.35	30.23-30.28	13-14c/ds	—	5.42 6.55-6.75c/ds	4.23
Switzerland 3.63-3.67	3.65-3.67	0.7-2c pm	—	5.77 6.5-6.7c ds	6.56

Belgian franc is convertible francs. Financial rate: 90.12-90.30c. 12-month forward dollar: 2.20-2.50c ds. 12-month 4.75-4.95c ds.

CURRENCY MOVEMENTS

June 23	Bank of England	Morgan Guaranty Index	June 23	Bank	Special Drawing Rights	European Currency Rates
June 23			June 23			
Sterling ...	91.5	-32.0	Sterling ...	12	1,0873	0.551788
U.S. dollar ...	14.25	-1.0	U.S. \$...	12	1,0873	0.951837
Canadian ...	14.25	-1.0	Canadian ...	16.59	1.0873	0.951837
Austrian ...	94.25	-1.0	Austrian ...	10.50	1.0873	0.951837
Austrian schilling ...	116.7	+26.0	Austrian ...	10.50	1.0873	0.951837
Belgian franc ...	95.8	-1.0	Belgian ...	51.5033	44.9500	0.951837
Danish krone ...	124.5	+2.0	Danish Kr. ...	11.9	9.552670	1.045429
Danish krone ...	124.5	+2.0	D mark ...	11.9	9.552670	1.045429
Swiss franc ...	124.5	+2.0	Swiss franc ...	124.5	2.975741	2.650115
Swiss franc ...	124.5	+2.0	French Fr. ...	14	7.497596	5.655866
Swiss franc ...	124.5	+2.0	French Fr. ...	14	7.497596	5.655866
Swiss franc ...	124.5	+2.0	Lira ...	15	1.521500	1.531125
Swiss franc ...	124.5	+2.0	Yen ...	15	1.521500	1.531125
Spanish Pta. ...	124.5	+2.0	Spanish Pta. ...	121.854	106.7577	1.531125
Swedish Kr. ...	124.5	+2.0	Swedish Kr. ...	10	6.681334	5.954517
Greek Drach. ...	124.5	+2.0	Greek Drach. ...	N/A	6	

Thursday June 24 1982

Balfour Beatty
Builds Better
EB 01-686 8700

EEC plea to U.S. on trade tensions

BY JOHN WYLES IN BRUSSELS

THE European Commission yesterday sent an urgent appeal to President Reagan through Mr William Brock, U.S. Special Trade Representative, to give priority to easing growing trade tensions between the U.S. and Europe.

Mr Brock was told that the President's decision last week to block the manufacture under licence in Europe of U.S.-designed pipeline equipment for the Soviet Union was a new and destructive element in the trans-Atlantic trade crisis. It followed the preliminary imposition by the U.S. Department of Commerce of countervailing duties against EEC steelmakers

on the grounds that they receive unfair Government subsidies. The Community has said it is determined to resist this plan.

Mr Brock held out little hope of a change of heart in Washington on the pipeline issue. After meeting his U.S. colleagues, Vice-Commissioner President and his two colleagues, Vice-Commissioner and Herr Wilhelm Haferkamp, the commissioner for external affairs, Mr Brock told journalists he did not know of any moves to reconsider the decision.

On steel, he said the findings

had not been based on "some new interpretation of the rules" as the Commission is preparing to argue at the ministerial conference on the General Agreement on Tariffs and Trade in November.

However, Mr Brock hinted that the U.S. was still interested in a political solution to the "very serious and contentious issue."

The Commission believes that the White House has failed to take a grip on its trade problems with Europe and that Mr Malcolm Baldrige, Commerce Under-Secretary, who warned that if foreign companies were going to "thumb their noses" at the new U.S.

on EEC steel and agriculture without regard to wider political implications.

Officials in Brussels have warned that the GATT conference—the first for nine years—could be a major disappointment for U.S. hopes of fighting protectionism and creating a freer international trade if present conflicts continue.

Our Washington staff writes: Mr Brock's bleak view of the pipeline sanction was reflected yesterday in Washington by Mr Lionel Olmer, the U.S. Commerce Secretary and Mr John Block, Agriculture Secretary, who warned that if foreign companies were going to "thumb

their noses" at the new U.S.

regulations, they risked losing access to "something else" from the U.S. in future. Denial of access to U.S. products was one of the penalties available under American law, he said.

Mr Olmer said the new regulations would initially affect only about 20 companies in the U.S. and abroad. The figure included about 13 foreign companies holding licences from U.S. companies such as General Electric. All the U.S. companies involved had indicated that they would go along with Administration policy, he added.

U.S.-EEC steel, Page 6
Bomb attack, Page 3

Cunard to get £10m for ship's loss

BY BRIDGET BLOOM AND ANDREW FISHER

The Government has agreed to pay Cunard around £10m for the loss of the Atlantic Conveyor container ship in the Falklands fighting, less than half its replacement value.

This emerged from the Trade Department yesterday at the same time as the Commons Defence Committee was told that, on the basis of preliminary figures, more than three-quarters of the warships sent to the Falklands were sunk, damaged, or hit by bombs which failed to explode.

Cunard, part of the Trafalgar House group, declined to comment on the compensation sum yesterday. But it is likely to have further talks with the Department of Trade on trying to have the level increased.

The compensation figure for the Atlantic Conveyor, the only merchant ship destroyed in the hostilities, emerged as part of a lengthy parliamentary answer by Lord Cockfield, Secretary for Trade.

He also spelled out the basis, though giving no figures on which owners of other merchant ships with the task force would be compensated for expenses

and loss of profits arising from their absence in the South Atlantic.

As well as immediate compensation, including any repairs needed on return, the Government will, under the Compensation (Defence) Act 1939, pay for any shipping company's loss

BRITISH journalists Simon Winchester, of The Sunday Times and Ian Mather and Tony Prime of The Observer, held in prison in southern Argentina since April on spying charges during the Falklands crisis, will be released on bail on Monday. Thatcher speaks on the Falklands. Page 5; Speculation governs Argentine politics, Page 4.

of earnings for up to six months after the requisition period.

This is something that groups like P & O have been particularly concerned with as market shares are lost while their ships are out of service. In exceptional cases, the Government will look at losses lasting beyond six months.

Lord Cockfield said the claim for the loss of the Atlantic Conveyor, hit by an Exocet missile, would be met from the Marine and Aviation Insurance (War Risks) Fund which currently had a balance of £5.25m.

risks fund comes from the gold raised last autumn from HMS Edinburgh, sunk by German torpedoes of Russia in the war.

The Atlantic Conveyor, built

for £4m was insured for £6.5m. A new vessel would cost well over £20m and Cunard has plans to replace this and some other ships with more efficient ones.

Mr John Nott, the Defence Secretary, told the Commons Defence Committee that in addition to the four warships which had been sunk, 12 had been

damaged while about six other ships were hit by bombs which did not explode.

In reply to a question from Dr John Gilbert, the Committee's deputy chairman, Mr Nott confirmed that "at the peak" there had been 23 warships in the South Atlantic—compared to the official list of 15 issued in April.

He was unable to give the precise numbers of warships which had been involved overall.

Mr Nott was giving evidence to the Committee on the Defence White Paper, published on Tuesday. He repeated that the Government would not draw premature lessons from the Falklands conflict nor make decisions on replacements until the year's end.

He reaffirmed that the estimated £500m bill so far would be paid by the Treasury rather than come out of the Defence Budget, as would an estimated annual £250m for replacements over the next five to six years. These costs do not include garrisoning the Falklands, which would also be paid for by the Treasury. Mr Nott said.

Thatcher letter, Page 11

U.S. finance move by Midland

By Peter Montagnon,
Euromarkets Correspondent

MIDLAND BANK is to join the growing list of international banks raising money in the New York commercial paper market, which provides a relatively cheap source of dollar finance.

The bank said yesterday it would raise at least \$500m in this way. It has been awarded the top A1+—P1 rating by the U.S. credit rating agencies, Moody's and Standard & Poor's.

The commercial paper market, which U.S. corporations use to place their surplus cash, is considerably cheaper than other forms of dollar borrowing such as certificates of deposit. Its attraction for non-U.S. banks has been growing, although they have to pay a slight premium over domestic U.S. banks to borrow in the market.

Midland, whose commercial paper will be sold through U.S. investment house Salomon Brothers, is the last of the four big UK clearing banks to enter the market.

The others are coy about revealing figures for their commercial paper borrowing. It is understood that in at least two cases they far exceed Midland's minimum borrowing level.

Midland will use the funds raised to finance its lending activities. Commercial paper is basically short-term finance, although it is frequently rolled over for long periods.

Borrowing in the commercial paper market normally involves additional disclosure of financial information, but it is understood that this will be far less rigorous for Midland than the disclosure required for its acquisition last year of a controlling interest in Crocker National Bank of the U.S.

Several British industrial concerns have also borrowed in the commercial paper market, one of the most recent being the United Biscuits group which is raising up to \$100m through its UB (Holdings) U.S. subsidiary. Self-service banking. Page 7

THE LEX COLUMN

Racial regains momentum

Index rose 0.1 to 555.9

playing net cash at the interim stage. The outcome may be in the region of £135m. The shares rose 22p yesterday to 450p, to produce a yield of 1.6 per cent.

Ferranti

As next month's unfreezing of Ferranti's shares looms, the company has racked up another year of strong growth, and it is able to point convincingly to further progress in the current year. Pre-tax profits for the 12 months to March have risen by 39 per cent to £23.8m, and at the trading level the pace of the first half has been maintained, with a 17 per cent increase.

In common with other major electricals, Ferranti has seen strong cash flow over the period—and this has been the main reason its figures have emerged at the top end of City estimates. In spite of £22m of capital expenditure, there has been a £2.1m rise in net cash deposits over the year to £32m. Accordingly, the interest charge has fallen away to nothing in the second six months. Falling component prices and working capital are part of the cause; these results also provide dramatic confirmation that the MOD's policy of cost cutting partly by adjusting prices and most importantly by accelerating the mix away from modems to other devices.

Only an extremely buoyant performance in radio communications has allowed the original (non-Deca) Racial business to produce a 23 per cent improvement in profits. The increase here is about 45 per cent to £53m. Tactical radio has seen some good volume growth, but increased competition from Marconi and Plessey may have had a restraining influence on pricing. Better still has been the performance of strategic radio, a relatively disappointing division in recent years, which has produced a 30 per cent jump in sales.

The Deca capital goods division has pushed up profits from £3.1m to £12m, and turnover growth has been accelerating through the year. Marine losses have been halved to £3m, and should be reduced further this year—as should the £2.5m loss in consumer goods. Overall, therefore, Deca may produce an extra £8m in the current year.

Racial looks set for further expansion, particularly in the strategic division, while the balance sheet may well be distressed.

With overall orders up 14 per

cent or so at £400m, and the company confident about exports, the outcome this year may be in the region of £240m. The shares rose 20p yesterday to 745p, where the yield is 1.4 per cent. This implies that the market is taking either a very short-term view, or a very long-term one.

Chubb

Chubb's preliminary report on the year to March bears what should be the final scars of the group's disastrous involvement with cash dispensers. It has provided £4.6m in closure costs, mostly taken below the line, but the overall impact on the company is very much greater.

Over a three-year period, dispensers chewed up at least £10m of cash, net of interest. Capital gearing more than doubled, leaving net debt equivalent to 58 per cent of shareholders' funds, while profits dwindled. Even after a 34 per cent gain to £9.4m pre-tax last year, profits are less than half of their 1979 level in real terms.

After its unsuccessful involvement with cash registers, Chubb was presumably aware of the research costs and economies of scale demanded by the electronics industry. With dispensers, it suffered the additional handicap of competing against U.S. computer companies which were providing, not just a terminal, but an integrated money transmission service. As a result, Chubb's annual production volume was roughly half of what it needed to break even.

To judge from the lacklustre performance of other interests, including Chubb Alarms, its management may have been left overstretched. Less elimination will now permit a measure of underlying growth to emerge but, with the shares yielding 7.3 per cent at last night's price of 110p, the former glamour image is looking rather tarnished.

POWER FOR TODAY.
POTENTIAL FOR TOMORROW.

Weather

UK TODAY

Cloudy with outbreaks of rain. England, Wales, Channel Is., Isle of Man, N. Ireland.

Cloudy with rain later. Max 18C (61F).

Scotland, Orkney.

Cloudy with isolated showers. Max 14C (57F).

Shetland.

Sunny periods, dry. Max 11C (52F).

Outlook: Unsettled, rather cool.

WORLDWIDE

Y day midday Y day midday

Acacia F 26 79 L. Anq. C 17 63

Alders S 29 84 Luanda, S 15 59

Amsterdam F 19 65 Luxor, S 12 103

Ans. S 30 86 Madrid, S 22 72

Bahrain — — Manila, S 13 56

Berlin, — — Malta, S 23 91

Belfast C 30 59 Mich. F 17 59

Berlin, C 23 73 Mr. C. — —

Bernitz C 19 66 Munich, C 26 79

Brisbane C 15 59 Milan, C 23 75

Bris. C 20 68 Montevideo, C 16 61

Brown C 17 63 Moscow, C 19 88

Budapest C 17 63 Munich, C 19 88

Brussels C 17 63 Nairobi, C 11 52

Bris. C 20 68 Naples, S 30 86

Calcutta C 21 70 Nice, C 22 78

Caracas C 21 70 Novosibirsk, C 20 88

Chile F 14 68 Oporto, C 20 88

Colombia C 20 68 Oslo, S 18 84

Concord, R 12 54 Paris, F 20 68

Darwin C 12 54 Prague, C 20 88

Dublin C 26 78 Rio de Janeiro, C 12 54

Durban C 26 78 Rhodes, S 31 88

Egypt F 26 78 Rome, F 27 81

Florence S 30 88 Salzburg, R 17 63

Frankfurt C 20 68 Stockholm, C 18 84

Geneva C 20 68 Singapore, C 22 88

Gibraltar, S 24 75 Sydney, C 19 88

Greece F 22 78 Tokyo, C 18 84

Helsinki C 14 54 Tunis, S 23 73

H. Kong — — Tenerife, S 23 73

Innsbruck C 17 63 Tel Aviv, F 18 84

I. Mar. C 27 81 T. I. T. 27 81

Istanbul C 15 61 Tokyo, C 17 64

Jersey C 15 61 Tunis, C 23 74

John C 15 61 Valencia, C 22 77

Lima, C 23 77 Vienna, C 21 73

Lisbon F 22 72 Warsaw, R 18 81

Lucca C 19 65 Zurich, C 17 63

London R 19 59 Zürich, C 17 63

Madrid C 20 68

Makassar C 20 68</